

**Police and Crime Board, 5<sup>th</sup> February 2020 13:00 – 17:00**

**Venue: Somerset Room**

**Attendees:**

- **Police and Crime Commissioner**
- **Chief Constable**
- **Deputy Chief Constable**
- **Director of People and Organisation Development**
- **OCC CFO**
- **OPCC CEO**
- **OPCC CFO**
- **OPCC Head of Commissioning and Partnerships**
- **OPCC Strategic Planning and Performance Officer**

To support the carrying out of the PCC's statutory functions including overseeing delivery of the Police and Crime Plan, being the forum for formal decision making by the PCC and otherwise allowing for the PCC to scrutinise the work, performance, key projects and budget of the Constabulary and other partners.

**AGENDA**

**1. Apologies**

**2. Minutes**

**3. Performance against Police and Crime Plan**

- a. Assurance Report (Tactical Support Team) **16:00**
- b. Assurance Report (Domestic Abuse)
- c. Performance Overview

**4. Chief Constable's Update** (any risks or issues that the Chief Constable wishes to raise)

**5. Key Organisational Risks and Issues**

**6. Quarterly HR Data**

**7. Finance:**

- a. Q3 Financial Performance Report
- b. Confirm Precept and MTFP

**8. Major Projects Highlight Report**

**9. Professional Standards Department:**

- a. Quarterly Performance Information
- b. IOPC Independent Investigations Update

#### **10. A.O.B**

- PCDA community engagement update
- CDI **16:00**

#### **11. Action Update**

#### **12. Publication** (agree any items for publication other than the Minutes and Decision Notices)

**Date of the Next Meeting: 4<sup>th</sup> March 2020, 13:00 – 17:00**

## **DRAFT Minutes of the Police and Crime Board, 5<sup>th</sup> February 2020**

### **Attendees:**

Sue Mountstevens, Police and Crime Commissioner  
Andy Marsh, Chief Constable  
Sarah Crew, Deputy Chief Constable  
Mark Simmonds, OPCC CFO & Interim CEO  
Nick Adams, Constabulary CFO  
Superintendent Deryck Rees  
Louise Hutchison, Acting Deputy Director of People and Organisational Development  
Marc Hole, OPCC Head of Commissioning and Partnerships  
Ben Valentine, OPCC Strategic Planning and Performance Officer  
Nick Ridout, Governance Officer  
Alaina Davies, Resources Officer

### **1. Apologies**

Michael Flay, Governance Manager  
Dan Wood, Director of People and Organisational Development

### **2. Minutes and Action Update**

The Board agreed the minutes from the Police and Crime Board Meeting held on 8<sup>th</sup> January 2020.

### **3. Performance against the Police and Crime Plan**

#### **a) Assurance Report (Tactical Support Team)**

The Constabulary is still in the transition period following the end of the Tri-Force collaboration. The Tactical Support Team should have move from a 6 team structure to a 5 team structure and changed their shift pattern but this has been delayed due to issues aligning the training programme – the Constabulary are working with Blackrock to resolve this issue. There are difficulties faced by Blackrock with three forces all on different shift patterns. There are 15 AFOs per team, 9 of which need to be on shift with 2 accounted for on leave and that only leaves 4 per team at any one time available for training.

Discussed the number that have left the force due to the shift pattern change not fitting in with their personal circumstances and childcare arrangements. The PCC was assured that the Constabulary did consider flexible working to accommodate family lives.

Overall morale is improving with the sickness and overtime trend in the last quarter showing improvement.

The PCC queried if the average response time for an armed officer across the force is acceptable and how it compares to other forces. The Constabulary is improving its Strategic Threat Assessment to have better knowledge of where the threats are and become more dynamic based on the intelligence picture.

The Chief Constable stated that the number of Firearms officers should be considered as part of the Force Futures work.

The Board discussed the comments in the staff survey regarding equipment/ kit. It was confirmed that the Constabulary are investing in new kit now. The full fleet in relation to police dogs has been replaced as the vehicles were old. The Constabulary assured the PCC that there is no issue with the numbers of people interested in joining TST but they are looking at diversity – being proactive by attending local briefings in the geographical areas looking they are looking to appoint in. It was noted that the gender split is currently: 50/50 split across dog handlers and mounted officers combined, 30% are female in the RPU and 5% female in firearms. It is hoped that the change in shift pattern will help with a feeling of being part of the wider organisation and TST will also now have joint Continuous Professional Development (CPD) days with Response.

#### **b) Assurance Report (Domestic Abuse)**

This assurance report focuses on Domestic Abuse (DA). The reports looks at the findings from the most recent HMICFRS PEEL assessment and provides context for the increasing number of cases and the reduction in positive outcomes.

Automation in Niche has given a true picture of the DA demand but caused the increase in numbers – this is not expected to keep rising.

The PCC asked how Avon and Somerset compare to other forces in terms of the number of DA positive outcomes. The numbers are lower than others in the region but it is not known how the Constabulary compares nationally in this area. It was noted that the positive outcome rate is also influenced by the Crown Prosecution Service (CPS). It was noted that the Constabulary don't currently have access to CPS Direct data only local CPS. Constabulary data shows an increase in referral of DA cases to CPS but there will continue to be a push on this. Notwithstanding the data on charging shows a marked reducing trend in the volume of CPS charges in DA cases over the same period. The Constabulary also report issues with timeliness of CPS charging decisions which will have an effect on victim attrition – discussed whether all DA should be referred to CPS Direct to avoid this. This is being negotiated at a national level in order to manage demand into the CPS. The Constabulary will liaise with the CPS to understand the differences in data between the two organisations.

The PCC was assured that the Release Under Investigation (RUI) for DA cases are reducing and there has been an increase in Bail. The use of Bail

in the last two months of 2019 was the highest it has been since the legislation changes. The Constabulary expect to see less Domestic Violence Protection Notices (DVPNs) as the use of Bail increases. It was noted that in some DA cases RUI would be appropriate e.g. sibling dispute which is long term and they don't live together. The Board discussed the review the Home Secretary has launched into RUI and both the Constabulary and PCC will provide responses to this.

The PCC sought assurance that work is ongoing to improve the use of Body Worn Video (BWV) cameras at DA attendance. This is improving and the Constabulary confirmed that work is ongoing. The Constabulary have held 4 of 5 focus groups to look at the practise of using BWV cameras at DA attendance. The Constabulary looked at 50 cases back in the summer and it is thought that in some cases not everything is being uploaded if footage is not evidential. The work the Constabulary are doing will provide a baseline percentage of cases where BWV should be used. Maximising the use of DASH will also be discussed at the focus groups – need to ensure that this is not just a compliance exercise. Need to ensure BWV is being used to capture evidence and the effect on the victim of the incident. Encouraging officers to take positive action in DA cases was discussed.

Officer management of repeat and high risk DA cases was discussed. Superintendent Rees dip-samples cases on a regular basis providing commentary on management of these cases. Some cases are complex and officers can sometimes benefit from decision making by a higher ranking officer. The PCC was assured that visibility of high risk DA cases is the clearest it has ever been. Timeliness of suspect management is a concern being monitored by the Constabulary. The Board discussed whether dip-sampling and feedback could be done in respect of any issue which aren't resolved by the demand flow work.

### **c) Performance Overview**

Response timeliness was discussed and the percentage outside of the Service Level Agreement (SLA) – the PCC was assured this is a focus and priority for Chief Officers. The Constabulary are currently looking at resource gaps affecting the ability to meet the SLA e.g. Patrol dealing with cases they shouldn't be. The Demand Status Plan was refreshed yesterday which has shifted from focusing on volume of demand to timeliness. The OPCC CEO queried whether there were any further technical solutions which would improve performance and was informed this will be looked at as part of phase 2 and 3. The digital twin work being done will allow the Constabulary to be scientific about decisions to increase officers in certain areas and what effect that will have.

The PCC queried if the decision at the last Police and Crime Board (PCB) to fill vacancies for ASCEND workers and extend this until 2021 has been actioned. The Constabulary confirmed this is in progress.

PCSO powers is due to be discussed at the Constabulary Management Board (CMB) in February following a personal briefing to the Chief Constable.

The Operation Remedy update was discussed. The reclassification of residential burglaries, which have been incorrectly recorded as such, was discussed. The PCC was assured that this is housekeeping exercise and will not drive performance. Those accountable for performance will not be carrying out this work.

Data Quality was discussed and the reasons for there not being an Officer In Charge (OIC) linked to some cases. Niche training will now include the reasons for needing to do this. It was noted that the Constabulary have directed the SWAP Data Quality internal audit at training in this area. Examples of these cases will be provided at the next CMB to identify what some of the reasons for no OIC being linked e.g. demand or bad practice. The different levels of skills and confidence in the use of Niche were discussed – the Constabulary have provide opportunities to upskill in the use of Niche but this also needs to be included as part of core training. The Constabulary are also working with Niche and Minerva to find ways of making Niche more user friendly.

#### **4. Chief Constable's Update**

Growth in funding and officer numbers is positive with a whole organisation effort to deliver this. Commitments have been made to the Police and Crime Panel regarding performance improvement following the approval of the increase to the precept (policing part of the council tax). It was noted that this performance improvement will not come from the uplift in officers over the next year due the time it takes to recruit and train an officer before they are fully operational. The agreed recruitment of police staff investigators will help.

The PCC highlighted the transparent nature of the reports coming through from the Constabulary to the PCB and the positive impact this has on the effectiveness of PCB ensuring that conversations are open and honest. It will be important to convey the context of this to the new PCC and highlight the distinctions between the role of the PCC and the role of the Police and Crime Panel. The new PCC will also need some training to understand the context of the information provided by the Constabulary. It was noted that moving from a time of austerity to a time of growth is a massive cultural change. The Constabulary will start looking at visibility data with a view to being able to measure increased visibility against the extra investment.

The Police and Crime Panel meeting was held yesterday at which they approved the £10 per annum for average Band D home (4.6%) council tax precept increase, this puts the Constabulary in a positive place going forward with an increased council tax base. The Board discussed the Police and Crime Panel handling of public access to the meeting and it is hoped that changes will be made to this going forward.

## **5. Key Organisational Risks and Issues**

The negative direction of travel for user satisfaction as a whole was discussed, which seems to be being driven by ASB satisfaction. When the Constabulary drill into the reason for this it seems to relate to follow up. The worst results were seen in July 2019 but this has improved since. The issue with follow up will be monitored – this should be being dealt with by Neighbourhoods but successfully resolving issues is also dependant on partnership involvement.

Crime Data Integrity (CDI) was highlighted in the report but this will be discussed under the AOB part of the agenda.

It was agreed that the Constabulary would provide an update against the pledges included in the letter from the Chief Constable, which was written to the PCC on 29<sup>th</sup> June 2018 in relation to what would be delivered with an increased precept.

The OPCC updated the Board regarding Safer Streets Home Office Funding. Two bids will be put in for funding focusing on residential burglary in the agreed areas of the force. The OPCC is in the early stages of engagement with the Constabulary and Local Authorities.

Governance around the Strategic Framework once relaunched was discussed. The business planning and meetings structure will support governance. It was noted that there have been technical issues with the single delivery plan. The next stage is to look at the cultural change through the Leadership Academy.

## **6. HR Data**

The PCC requested a single point of contact for HR data to ensure that accurate information is made public. Information needs to be broken down by Headcount as well as (Full Time Equivalent) FTE.

The PCC highlighted the need to ensure that PCSO recruitment continues aiming for full establishment as they are extremely valued. The additional 15 PCSOs, which have been funded by Serious Violence Home Office funding in 2019/20, will be retained and the funding of this going forward will need to be explained to the new PCC. Another round of PCSO recruitment has just opened.

It was noted that an interim Director of People and Organisation Development has been appointed (the previous Deputy). A presentation was given on the work the department is doing.

The Constabulary are looking to appoint someone or a Consultant to carry out a role focusing on being a learning and development 'future thinker'. This post will be bold and innovative highlighting possibilities to shape and define the way forward.

The work around wellbeing was discussed. There are many interventions available to people but it was noted that these need to be publicised more to staff so it is clear what is available.

Inclusion and Diversity work is ongoing with the Constabulary focusing on delivering the 5 big ideas. It is recognised that communities are all different – officers should be encouraged and given the confidence to get closer to communities. The Constabulary are about to enter into partnership with an organisation looking at positive leadership development action – this will include working with small groups and mentoring. Recruit for difference was discussed and the PCC was assured that e-recruitment will help and also provide good data. High performing teams need to be looking for talent and recognising that it might be necessary to provide training and education – this will take the organisation to a higher performing level.

The People and Organisational Development function sets the example for displaying force values and how to treat people. The department is currently reviewing internal customer engagement and Key Performance Indicators (KPIs).

In terms of data an Establishment app is currently being developed. An update on the Trajectory was given and an update on quarter 3 recruitment. The Constabulary is about to open Police Officer recruitment again. It was noted that the Constabulary are aware of the need to improve the Exit Questionnaire and the data captured regarding people leaving the organisation.

Training was discussed. Response driver training is still a concern and it was noted that trainers are currently going through assessment – the Chief Constable will include a piece in his Blog regarding driver training at the same time as a picture of the new cars being introduced to the fleet. The Police Constable Degree Apprenticeship (PCDA) is up and running with the first cohort due to pass their first year 1 Gateway in March 2020. It was noted that the Constabulary modelled for a drop-out rate of 10 per year from the PCDA. The Degree Holder Entry Programme (DHEP) is due to start in January 2021 – the Constabulary will consider whether this should include a direct route to roles such as Detective.

The Constabulary will provide the paper which discusses the programme for the Community Engagement part of the PCDA in Year 2.

An organisational development update was given. Outreach Workers have completed their induction and are providing personal engagement and community engagement. They are keeping a log of all of the work they do. This is a very positive group which must be respected and listened to in order to enable them to have the biggest positive impact.

It was highlighted that it is National Apprenticeship Week.

The Constabulary are looking at ways to improve the response rate for the next People Survey. It was noted that various survey run through the year to track



the benefits of specific pieces of work – too many surveys can affect people's willingness to complete them.

The induction programme for new starters to the organisation has been refreshed. New starters will have a bespoke pocket book portal for their first month. There will be a half-day induction at HQ for new starters.

The promotion of staff to supervisory level was discussed and marking this in a similar way to officer promotion. The Constabulary will consider plans for this.

## **7. Finance:**

### **a. Quarter 3 Financial Performance Report**

It has been agreed that £1m of the forecast underspend will be transferred to the Victims and Commissioning Reserve at the financial year-end to support the planned Reducing Reoffending projects.

A decision on new borrowing of £6m before year end will be required when treasury management advise on the best time for borrowing. If this decision is required between PCBs then it will be discussed and the decision will be recorded at the following PCB.

Insurance provision – prudent approach taken based on the average top up over the last three years.

Overtime is a potential risk to the outturn in the New Year and this will continue to be an area of focus. The Constabulary confirmed they are confident in the controls in place in relation to overtime.

Vacancies within collaborations were discussed and how this impacts force recruitment and retention. HR colleagues are liaising with regional colleagues to have better oversight of this for planning purposes.

It was noted that funding for the in-year uplift of officers is yet to be claimed and the MFSS settlement is also still outstanding.

### **b. Confirm Precept and Medium Term Financial Plan (MTFP)**

The precept increase and Medium Term Financial Plan (MTFP) has been approved. The Police and Crime Panel met yesterday and supported:-

- i. A revenue budget requirement for 20/21 of £328.451m.
- ii. An initial capital plan for 20/21 of £19.887m.
- iii. Funded in part by a proposed council tax precept to be levied in respect of general expenses of £130.068m (equivalent Council Tax Band D of £227.81 – an increase of £10 on 2019/20), to be apportioned to each collecting authority according to the table included in the paper.

## **8. Major Projects Highlight Report**

Body Worn Video Camera Decision Notice to come to the March 2020 PCB for sign off.

IT Redesign work is ongoing and a Road Map should be available toward the end of February 2020.

The OPCC queried if the use of drones is expected to reduce the use of the National Police Air Service (NPAS). The decision regarding drones should not just be led by this and operational benefits should be considered.

Estates updates were discussed including Yeovil, Bath and Trinity Road. Timescales for Yeovil were discussed.

## **9. Professional Standards Department Update**

There are currently 14 Independent Office for Police Conduct (IOPC) open investigations. Two of these are complete but the Constabulary is awaiting the learning reports, two have come back to the Constabulary for Gross Misconduct Hearings. The rest are more recent cases which are still open. Another case has been referred this week.

IOPC timeliness is improving. Changes in regulations came into effect this week and the Constabulary assured the PCC that they are in a good place to adopt these changes. This is a positive change to move toward learning in non-serious cases rather than apportioning blame. Leadership will have to develop to deal effectively with learning and poor performance – the Leadership Academy will help leaders feel equipped to address poor performance through learning and Independent Performance Reviews (IPRs) before misconduct matters arise.

The Professional Standards Department performance data for quarter 3 was included in the papers for the meeting and has been viewed by the Board.

## **10.A.O.B**

### **Police Constable Degree Apprenticeship (PCDA) Community Engagement Update**

Discussed at part of the HR Update.

### **Crime Data Integrity (CDI)**

The Constabulary were one of two forces randomly chosen for a CDI HMICFRS inspection in January 2020. The Constabulary will receive a letter which will highlight the findings from this inspection but won't provide a grading – as the letter will be made public and is due in May 2020 the Constabulary have asked for this to come out earlier. CDI will then form part of the HMICFRS PEEL inspection.

686 cases were reviewed. It was also noted that a number of the cases reviewed would not yet have been finalised. The Constabulary provided examples of the failures found which included cases where the most serious crime type had been recorded and other crimes in the same case had been noted but not recorded, however appropriate safeguarding for the victims had been put in place.

Initial findings highlighted failure to record a crime within a crime, Modern Slavery is much improved since the last inspection, high compliance with safeguarding records and three cases were recorded as sexual offences which HMICFRS would class as rape. The PCC queried if there were any issues regarding no crime cases – they looked at 50 cases and only disagreed with 4 or 5 which suggests the automated process is working. Crimes in Storm are automatically pushed to Niche after 30 minutes and it is a lot of work to no crime a case. The Board discussed whether there was any other technology which could help such as AI scanning for key words.

The Constabulary will have an action plan as a result of this. Work will be done with Learning and Development looking at raising awareness of the issues raised and provide training.

## **11. Action Update**

An update was given on the actions from the previous Police and Crime Board Meetings as follows:

- Lighthouse Safeguarding Unit (LSU) – the monthly update report was provided. The main concern is still the backlog and the Constabulary will continue to provide monthly reports at the PCB.
- Officer Visibility Map – the Constabulary is making progress with a public portal which shows officer visibility but it is not yet ready to be made public.

## **12. Publication**

The following items were agreed for publication:

- 8<sup>th</sup> January 2020 Police and Crime Board Agenda
- 8<sup>th</sup> January 2020 Police and Crime Board Minutes
- 2019/20 Quarter 3 Financial Performance Report
- Medium Term Financial Plan (MTFP)

### **Actions List:**

See Exempt Actions List

**Date of the Next Meeting: 4<sup>th</sup> March 2020**

<b>MEETING:</b> Constabulary Management Board	<b>Date:</b> 30 <sup>th</sup> January 2020	Agenda No
<b>DEPARTMENT:</b> Finance and Business Services	<b>AUTHORS:</b> Chloe Cornock / Finance Business Partners / Claire Hargreaves	<b>7a</b>
<b>NAME OF PAPER:</b> 2019/20 Q3 Financial Performance Report		<b>COG Sponsor:</b> Nick Adams

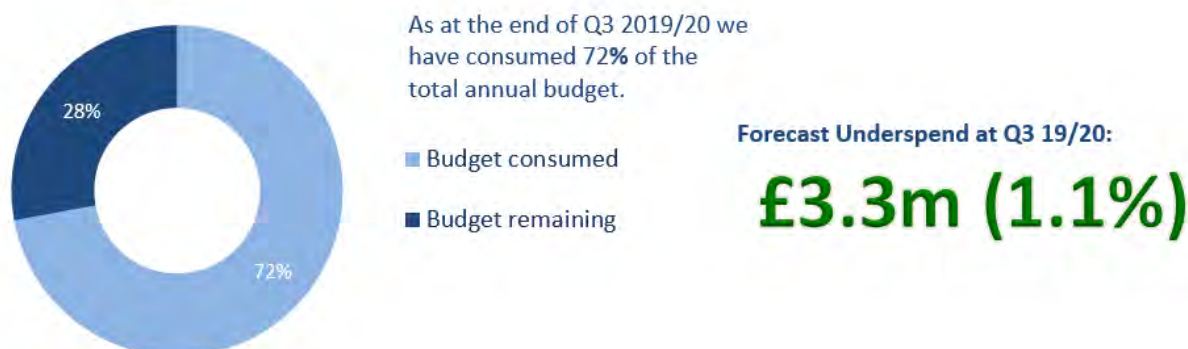
## 1. PURPOSE OF REPORT AND BACKGROUND

The purpose of this report is to provide an update on the revenue budget and capital programme performance against the plan for 2019/20. The attached Appendices A and B includes details of the outturn revenue position as at 31<sup>st</sup> December 2019, and Appendices C and D provide more detailed information about overtime spend against budget, Appendix E provides the forecast position for the capital programme.

## 2. EXECUTIVE SUMMARY

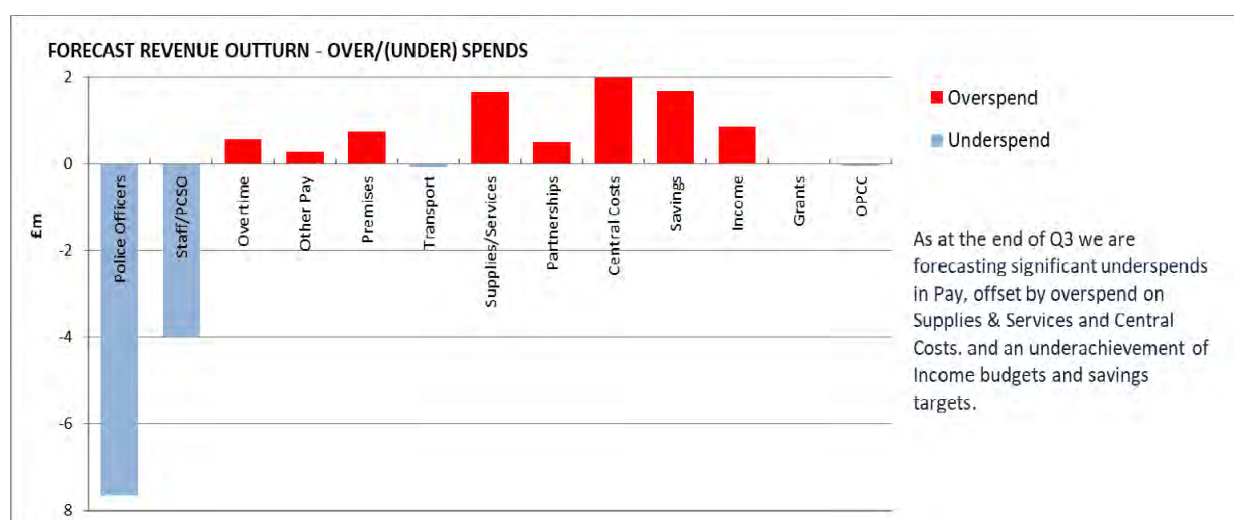
The revenue position is forecasting to be **£3.3m underspent at the end of the financial year.**

### 2019/20 REVENUE YTD AND FORECAST OUTTURN



The projected cost at Q3 has risen by £1.5m to that projected at Q2. One of the main drivers of this change is the assumption that any unspent Operation Remedy money will be ringfenced for future activity. This equates to £1m after assuming maximising the drawdown on the Serious Violence grant. These figures include additional investment in the Capital Programme and the effect of the pay award at 2.5% for all officers and staff.

### FORECAST REVENUE OUTTURN - OVER/(UNDER) SPENDS



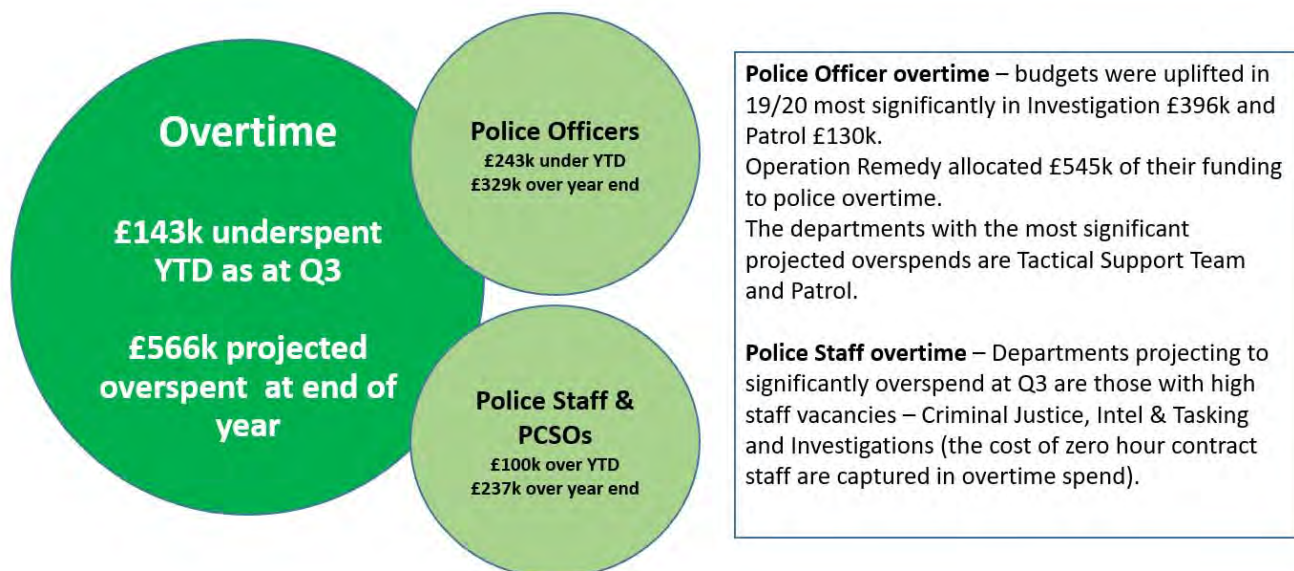
**Police Officer Pay & Allowances** – This is £5.7m/5.4% underspent Year to Date, with a prediction of £7.6m/5.3% underspend at year end. The figures have been adjusted for student officer intakes and average leavers including retirements. The largest area of underspend on police officer pay is Investigations who are projecting a £3.4m underspend. Recruitment has been entirely reflected in the Patrol figures which will push the department to an over established position by the end of the financial year. Consideration will need to be given

as to how we will manage the flow of officers into roles where we have vacancies.

**Police Staff Pay & Allowances** – £2.6m underspent Year to Date (4.6%), rising to £3.1m (4.1%) by end March. The estimated underspend on police staff has increased by £0.9m since the previous quarter indicating a worsening picture for police staff recruitment and retention. The departments most adversely affected are Speed Enforcement, Intelligence & Tasking and Victims & Safeguarding.

**PCSO Pay & Allowances** – The Year to Date variance is an underspend of £594k/6.9% underspent, with a prediction of £787k/6.8% underspend at year end.

## Overtime



Further detail on our overtime spend and forecasts is provided in Appendices C and D at the back of this report.

**Supplies & Services – Other costs** - The report is showing an underspend position of £1.5m YTD which moves to a £1.8m overspend by the year end. This largest factor in this movement is the inclusion of a provision for insurance - £1.9m. This is included in the projection but no element of it is reflected in the year to date. The figure was calculated as the average of the top-up to our insurance provision required at the end of the 17/18 and 18/19 financial years. Technology Services, Estates and the Serious Violence grant are all assuming a large uplift in costs in the final quarter, adding a further £1.1m to this movement.

**Partnership Costs (3<sup>rd</sup> Party Payments)** – the projection here includes all known and forecast partnership costs associated with both existing partnerships and those liabilities arising from partnerships that we are no longer a part of.

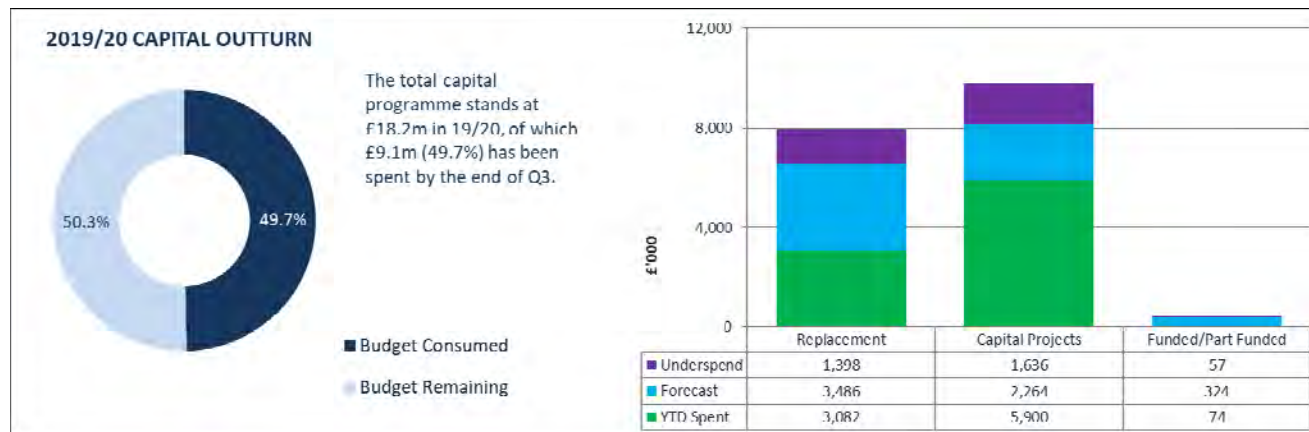
**Transfers to / from reserves** – This line identifies the in-year draw down on reserves, the majority of which is used to fund Strategic Projects. The YTD figure shows a slight overspend because there are a couple of items which will in fact be funded by the overall underspend rather than drawing down further on reserves.

The projection identifies an additional £2.1m to be transferred back to reserves, most notably the balance of Operation Remedy being ring fenced for future related activity and the under spend on Strategic Projects being returned.

**Outstanding Savings Target** – This represents the balance of unachieved savings. This underachievement reduces due to procurement savings within Tech Services. These additional savings are adjusted for in the projection reducing the underachievement to £1.6m. This figure includes the enabling services review of Learning £935k that was not realised and is no longer current in light of the Futures Programme and the additional cost of Operation Remedy as initial costings were based on PCs at entry grade rather than a mixture of ranks.

**Income Other** – The projected under achievement of income is due to the Speed Enforcement Unit not meeting the budgeted target although this does show an improved position from the previous quarter.

## Capital Expenditure



The capital programme is forecasting **£15.1m of expenditure** this financial year, which reflects 83.0% of our plan. YTD spend of £9.1m has been incurred to the end of Q3, reflecting further significant capital expenditure expected in the remaining quarter, particularly in relation to the refurbishment of Kenneth Steele House, Shepton Mallet and Yeovil police stations, and the replacement of vehicles and HQ generator. The forecast has reduced this quarter due to ICT and Estates infrastructure projects being more likely to complete in 20/21 now rather than 19/20.

### 3. PART ONE – 19/20 REVENUE BUDGET PERFORMANCE

#### NEIGHBOURHOOD & PARTNERSHIPS DIRECTORATE

Department	19/20 YTD Actual £'000	19/20 YTD Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %	19/20 Projected Outturn £'000	19/20 Annual Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %
Neighbourhood Policing	21,127	21,436	(309)	(1.4%)	28,398	28,883	(485)	(1.7%)
Road Safety	56	128	(72)	(56.2%)	139	171	(32)	(18.7%)
Offender Management	3,592	3,751	(159)	(4.2%)	4,838	4,952	(113)	(2.3%)
Victims & Safeguarding	2,807	3,074	(267)	(8.7%)	3,740	4,118	(378)	(9.2%)
Citizens in Policing	124	97	27	27.8%	194	132	62	46.97%

**Neighbourhood** – Forecast to the year-end – The under spend relates mainly to PCSO vacancies and a forecast has been included to cover costs relating to the PCSO Supervisor pilot scheme. There are overspend projections for PCSO overtime because of the number of vacancies throughout the year. There is also a projection for an over spend on Police overtime which is a combination of Bank Holiday overtime as there is only currently a budget for 4 Bank Holidays and Rest Day overtime.

The income target for the team will not be achieved in full due to the Glastonbury PCSO not being in post and so the local council will not contribute the salary amount and similarly the HMP Bristol post has not been filled since the last incumbent retired and so income will not be received for this also.

**Offender Management** – Year to date - The under spend is due to the vacant posts on police officers and a top slice adjustment.

Forecast to year-end - As with the year to date variance the under spend is mainly due to police officer vacancies. The contributions to Youth Offending Teams is a pressure to the budget and also reduces the under spend.

**Victims & Safeguarding** – Year to date - underspend relates to the number of Police staff roles vacant, police officer pay is slightly overspent due to the temporary posting of an Inspector.

Forecast to year end – As with the year to date variance Police staff pay will remain under spent due to number of vacancies and police officers will remain overspent for the time the Inspector post was over established. Steps are being taken to reduce the number of vacancies with recruitment ongoing, however this change is not reflected in the figures as the lead time on achieving the increase is estimated at 3-6 months. An adjustment has been made to show that the expenditure for the contributions to the Safeguarding Boards are completed in full, but the



under spend on this line is earmarked to cover a Safeguarding role on a fixed term basis. There is an under spend for supplies and services which is under review.

**Citizens in Policing** - This budget is new to the Neighbourhood and Partnership Directorate. The over spend is due to mileage claims for Specials and also because there is no budget currently for volunteer expenses. The budget allocations for the new financial year will address some of these issues going forward.

## **RESPONSE DIRECTORATE**

Department	19/20 YTD Actual £'000	19/20 YTD Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %	19/20 Projecte d Outturn £'000	19/20 Annual Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %
Command and Control	12,264	12,128	136	1.1%	16,442	16,252	190	1.2%
Patrol	36,754	37,468	(714)	(1.9%)	50,092	50,265	(174)	(0.3%)
Detainee Investigation Support	4,563	4,918	(355)	(7.2%)	6,120	6,593	(474)	(7.2%)

**Command & Control** – Year to date – The £136k over spend is mainly due to the Police Staff pay top slice which is reduced by the under spends on police officer pay and supplies and services.

Forecast to year end – Is a projected over spend of £190k, as with the Year to date figure the over spend is due to the police staff top slice £466k any under spends are reduced. There is an under spend on police officer pay which further reduces the effect of the top slice. There is a projected overspend of £34k on police staff overtime, this is due to the number of vacancies in the department and shifts having to be covered. There is also a projected overspend on communications and computing which is due to an upgrade of monitors supporting the introduction of SMART Storm.

**Patrol** – Year to date underspend of £714k is mainly due to the number of vacancies within Patrol throughout the year.

Forecast to year-end is a projected reduced under spend of £174k which reduced due to the forecast costs of officers joining the Force by the end of March along with average leavers and retirees. Overtime costs are forecasted to be over spent by £240k and this has remained high due to the number of vacant posts through the year.

**Detainee Investigation Support** – Year to date under spend of £355k is due to several police officer and police staff vacancies.

Forecast to year-end is an under spend of £474k. The variance is due to the number of vacancies of both police officer and police staff projected forward to the end of the year. There is an overspend of police officer overtime, however this is to be expected, due to the number of vacancies in the department over the year.

## **OPERATIONAL SUPPORT DIRECTORATE**

Department	19/20 YTD Actual £'000	19/20 YTD Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %	19/20 Projecte d Outturn £'000	19/20 Annual Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %
Criminal Justice	9,993	9,465	527	5.5%	13,420	12,662	757	(6%)
Operations	4,135	4,559	(423)	(9.3%)	5,884	6,113	(279)	(4.6%)
Operation Remedy	3,697	4,522	(825)	(18.2%)	6,357	6,357	(0)	(16.6%)
Serious & Violent Crime	698	1,274	(575)	(45%)	1,720	1,720	(0)	(11.6%)
Operations Major Incidents	275	185	90	48.6%	337	247	90	36.4%
Intelligence & Tasking	7,054	7,538	(484)	(6.4%)	9,462	10,092	(631)	(6.3%)
Tactical Support Team	9,638	10,030	(392)	(3.9%)	13,051	13,657	(606)	(4.4%)

**Criminal Justice** - The Criminal Justice Department includes Criminal Justice Delivery and Speed Enforcement.

Criminal Justice Delivery – Year to date – The under spend of £188.5k is due to vacancies within the staff establishment (20.07 FTE).

Forecast to Year End – An under spend of £29.3k is forecast which is due to vacancies. There is approval to spend £150k on the Keynsham Custody Project but it is unlikely all of these costs will be incurred before the year end. A figure of £20k has been included in the forecast.

Speed Enforcement Unit – Year to Date – An overspend of £716k is due to a number of factors but most significantly, it is as a result of :-

- High level of vacancies currently 14 FTE, a reduction from 23 FTE reported at Q2. Whilst the department have always had a regular turnover of staff, vacancies have incurred largely as a result of the relocation of the unit from KSH to Portisfields as many staff did not want to relocate outside of the city. Police Staff Pay is currently underspending by £402k YTD. Interviews have taken place to fill all remaining vacant posts and are currently awaiting vetting clearance. Delays in vetting are having a significant impact on when the unit will be back at full complement.
- Due to the levels of vacancies, there has been a significant drop in income being received from NDORS, the Speed Awareness course provider. The Actual YTD indicates £1,713k has been received against a budget of £3,049k creating a variance of £1,336k.

Forecast to Year-end – An over spend is being forecast of approximately £787k as a result of the ongoing issues highlighted above. This is a reduction of £387k since Q2 due to a couple of months of increased revenues from NDORS as well as additional income from the Highways Agency for Roadworks and the Redex pilot on the managed motorways. It is unlikely that the unit will be back to a full complement of staff until the end of this year.

**Operations** – Operations includes the specialist Operations Department and Rechargeable Operations. The financial structure of these two units is different i.e. the Operations Department is funded internally with budgets whereas Rechargeable Operations are funded by external income streams.

Operations Department - Year to Date there is an under spend of £224k which is due to officer (1.5 FTE) and staff vacancies (2.84 FTE).

The forecast at year-end is an under spend of £184k, again due to vacancies.

Rechargeable Operations – there is a year to date underspend of £199k and the forecast position is an under spend of £95k.

**Operation Remedy** - Forecast to Year-end – An adjustment of £1,059k has been made to the report to show a zero forecasted variance against the budget. This is because any underspend for Op Remedy in 2019/20 will be transferred to an earmarked reserve at year end in order to support the continuation of this operation throughout 2020/21.

The underspend has been created largely from Police Officer (£358k) and Staff Pay (£130k) forecasts which is the cumulative effect of vacancies in year and the time taken to get to a fully established position. There are currently 83 out of the 100 officers in post. Other areas currently forecasting to underspend are under Overtime (£166k) and Supplies & Services (£343k). Detective expenses, course fees and professional fees account for the majority of this underspend.

**Serious & Violent Crime** – Year to Date – This area has a cumulative underspend of (£575k) due to a number of factors which delayed initial progress with approved grant initiatives. Staff and PCSO's are now all in post however surge overtime, IT costs and hyper local comms costs have not incurred as high a spend as initially anticipated by this time in the year. Initiatives and associated costs are being reviewed on a monthly basis and funds reassigned to new bids where appropriate.

Forecast to Year-end – We are forecasting to spend the full £1.7m grant. This forecast includes some costs originally incurred under operation Remedy which will be recoded. This reflects the ongoing work to review the feasibility of approved initiatives, accepting new bid requests and identifying other planned work being carried out in force that can be linked in to this area of work.

**Operations Major Incidents** - the reported overspend relates to Operation Horrocks, but this is currently being covered by underspends on the Investigations Major Incident budget and there is no reason to suggest this will not be the case at year end.

**Intelligence & Tasking** – Year to Date – This department has a combined underspend due to vacancies within officer and staff posts (3.57 FTE and 15.62 FTE respectively).

Forecast to Year-end – The forecast underspend is due to the high level of vacancies within police officer and police staff roles.

## **INVESTIGATIONS DIRECTORATE**



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Department	19/20 YTD Actual £'000	19/20 YTD Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %	19/20 Projecte d Outturn £'000	19/20 Annual Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %
Investigation	19,441	21,942	(2,501)	(11.4%)	25,853	29,237	(3,384)	(11.6%)
Investigation Major Incidents	469	643	(174)	(27%)	741	832	(90)	(10.8%)

**Investigations** – Year to Date – The variance is due to the high level of officer vacancies in the Investigations teams (63 FTE). Staff posts are over-established (9 FTE) where temporary staff are engaged to assist with caseloads.

Forecast to Year-end – The forecast underspend is due to the level of officer vacancies within the Investigations teams with further leavers expected throughout the year. Some of the underspend on officer posts will be offset with staff costs where temporary contracts for new police staff investigator posts are being introduced to assist with caseloads.

## COLLABORATIONS

Department	19/20 YTD Actual £'000	19/20 YTD Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %	19/20 Projecte d Outturn £'000	19/20 Annual Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %
Scientific Investigation	5,365	5,567	(202)	(3.6%)	7,388	7,414	(27)	(0.4%)
Major Crime Investigation	3,236	3,776	(540)	(14.3%)	4,498	5,059	(560)	(11.1%)
South West ROCU	2,522	2,522	0	0.0%	3,362	3,362	0	0.0%
Special Branch	764	828	(64)	(7.7%)	1,049	1,105	(56)	(5.1%)
Black Rock	554	636	(82)	(12.8%)	838	848	(10)	(1.2%)
Counter Terrorism	420	566	(146)	(25.8%)	616	766	(151)	(19.7%)
Tri Force ACC	3	7	(4)	(55.4%)	3	7	(4)	(55.4%)

**Major Crime Investigation** – The under spend in the year to date and the forecast relates to vacant posts whilst the restructure is in progress. All posts have now been recruited to, but are currently in vetting.

**Special Branch** – The forecast underspend relates to pay underspends of £36k, and a reduced forecast contribution to pay to the collaboration.

**Black Rock** – The current underspend partly relates to an under spend in non-pay expenditure. The Forecast spend for the year end is approximately the budgeted figure.

**Counter Terrorism Specialist Firearms** – The year to date and year end forecasted underspend relates to three officer posts that have been vacant all year plus one sergeant vacant for 8 months.

## INFORMATION TECHNOLOGY DIRECTORATE

Department	19/20 YTD Actual £'000	19/20 YTD Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %	19/20 Projecte d Outturn £'000	19/20 Annual Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %
Technology Services	15,692	15,286	406	2.7%	20,834	20,881	(47)	(0.2%)

Year to Date – overspend of £406k/2.7% relates to data circuits (migration of WAN), process automation and additional resourcing to support the Data Quality team. Process automation and Data Quality are supported by overall projected force underspends.

Forecast to Year – underspend of £47k/0.2%. The swing between the YTD and forecasted position is driven by support and maintenance cost. A departmental forecasted underspend of £1,180m has allowed spend on initiatives such as Process Automation and Data Quality and as a result, the final year-end forecast is

approximately close to budget.

## **FINANCE AND BUSINESS SERVICES DIRECTORATE**

Department	19/20 YTD Actual £'000	19/20 YTD Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %	19/20 Projecte d Outturn £'000	19/20 Annual Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %
Chief Officer Group	1,289	1,208	81	6.7%	1,740	1,611	129	8.0%
Stores & Evidential Property	1,584	1,758	(174)	(9.9%)	2,163	2,342	(179)	(7.6%)
Transport Services	3,548	3,479	69	2.0%	4,830	4,767	63	1.3%
Services Hub	3,047	3,390	(344)	(10.1%)	4,078	4,470	(392)	(8.8%)
Finance	1,161	1,166	(5)	(0.4%)	1,567	1,556	11	0.7%
Strategic Procurement	275	369	(93)	(25.3%)	418	494	(76)	(15.4%)
Estates & Facilities	10,409	9,929	480	4.8%	13,939	12,674	1,265	10.0%

**Stores & Evidential Property** – Forecast to Year-end underspend of £179k/7.6% which is due to police staff pay vacancies at £69k and uniform supplies at £131k. Uniform budgets will be kept under review as we prepare for the delivery of the officer uplift and PCDA.

**Services Hub** – Year to Date underspend of £344k/10.1%. The variance is predominantly driven against police staff pay at £298k and is aligned to departments such as the Admin Hub and Enquiry Office.

Forecast to Year-end underspend of £392k/8.8%. Variance is driven by police staff pay and budgetary savings against supplies and services cost e.g. postage and stationery.

**Estates & Facilities** – Year to Date overspend of £480k/4.8% relates to an increase demand on responsive maintenance costs. An underachievement of £160k is also reported against income and this relates to a reduction in rental and internal cross charging income.

Forecast to Year-end overspend of £1,265m/10.0%. There are a number of factors behind the increased forecasted expenditure. This includes additional expenditure of £645k for responsive maintenance costs. Due to our mixed estate, a number of our aging properties are requiring more responsive repairs and maintenance e.g. Headquarters.

The department is also reporting an underachievement against income of £211k due to a reduction in rental income and cross service recharging. Estates has taken advantage of the opportunities identified through infrastructure projects and accelerated some of the remedial work at key sites whilst we have contractors available e.g. KSH and Street. The forecast also includes cost for the modernisation of meeting room facilities at HQ which was approved from force underspends.

## **PEOPLE AND ORGANISATIONAL DEVELOPMENT DIRECTORATE**

Department	19/20 YTD Actual £'000	19/20 YTD Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %	19/20 Projecte d Outturn £'000	19/20 Annual Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %
HR Operations	3,128	3,117	10	0.3%	4,369	4,142	226	5.4%
Organisational Development	457	581	(124)	(21.3%)	673	767	(93)	(12.1%)
Learning	3,466	3,816	(350)	(9.2%)	4,889	5,042	(152)	(3.0%)
Legal	1,016	1,054	(38)	(3.6%)	1,420	1,456	(36)	(2.5%)
Occupational Health	623	623	(0)	(0.0%)	880	831	48	5.8%

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Health & Safety	57	71	(14)	(20.0%)	75	96	(21)	(22.0%)
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**HR Operations** – Forecast to Year-end overspend of £226k/5.4%. Variance is driven by police staff pay as a result of the e-recruitment solution happening later than expected and some anticipated agency costs £40k. Under achievement of top slice £148k also contributes to the adverse variance. It should be noted that additional funding (£97k) that has been approved relating to the Futures Programme will not be allocated to the budget in this financial year.

There are savings in supplies and services that offset some of this anticipated overspend. Some savings from the initial restructure are likely to be delayed into 2020/21.

**Learning** – Year to date underspend of £350k/9.2%. The year to date underspend is primarily due to police officer vacancies earlier in year resulting in a variance of £301k, particularly trainer assessors and driver trainers.

Forecast to Year-end underspend of £152k/3.0%. Variance is driven by Police Officer Pay and budgetary savings against supplies and services cost e.g. professional fees. It is expected that Police Staff Pay will be overspent by £111k which will partially offset underspend on Police Officer Pay.

## **TRANSFORMATION & IMPROVEMENT DIRECTORATE**

Department	19/20 YTD Actual £'000	19/20 YTD Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %	19/20 Projecte d Outturn £'000	19/20 Annual Budget £'000	19/20 (Under) / Over £'000	19/20 (Under) / Over %
Transformation	684	916	(232)	(25.3%)	949	1,206	(258)	(21.4%)
Improvement	1,402	1,622	(221)	(13.6%)	1,773	2,171	(398)	(18.3%)
Force Crime & Incident Registrar	179	174	5	2.9%	245	233	13	5.6%
Strategic Projects	1,371	1,750	(379)	(21.6%)	2,901	2,901	0	0%
Corporate Communications	591	707	(116)	(16.4%)	861	932	(71)	(7.6%)
Professional Standards	1,412	1,409	3	0.2%	1,912	1,905	7	0.4%

**Transformation** – Year to date under spend of £232k/25.3%. Variance driven by Police Staff Pay and is the result of various vacancies that are ongoing in the department and these are expected to continue and are reflected in the forecasted underspend of £258k/21.4%.

**Improvement** – Year to date under spend of £221k/13.6% reflects savings on several officer and staff roles that are not filled and which is partially offset by a couple of unfunded staff posts. The forecasted underspend of £398k/18.3% assumes staffing levels remains the same and the agency budget is fully spent.

**Strategic Projects** – Year to date under spend £379k/21.6%. Variance driven by Staff Pay and is mainly as a result of various vacancies that are ongoing in the department together with a saving on the contingency budget (£109k). These vacancies are projected to continue to the year end and together with £637k forecasted underspend on various projects (e.g. Yeovil Decant Project, Salix Loan Project, KSH Annex Demolition Project and the Tri Force Project), result in an under spend of £967k/33.3%. This underspend will transferred back to reserve at the year-end and this adjustment is reflected in our forecast.

**Corporate Communications** – Year to date underspend of £116k/16.4%. The variance is driven by Police Staff Pay £55k and is the result of various departmental vacancies together with underspend against supplies & services budget (£56k) which is expected to be spent later in year to fund site updates to reflect the organisation's mission, vision, values. The forecast to year end underspend is £71k/7.6%.

## **CENTRAL COSTS**

Department	19/20 YTD	19/20 YTD	19/20 (Under)	19/20 (Under) /	19/20 Project	19/20 Annual	19/20 (Under)	19/20 (Under)
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	Actual £'000	Budget £'000	/ Over £'000	Over %	ed Outtur n £'000	Budget £'000	/ Over £'000	/ Over %
Pensions	4,450	5,293	(843)	(15.9%)	10,294	10,582	(288)	(2.7%)
Officer & Staff Allowances	1,073	1,458	(385)	(26.4%)	2,371	2,987	(616)	(20.6%)
Central Costs	7,616	8,169	(554)	(6.8%)	11,280	9,801	1,479	(4.3%)
Central Savings	0	(2,211)	2,211	(100.0%)	940	(2,212)	1,272	(57.5%)
Student Officers	434	719	(285)	(39.6%)	434	1,437	(1,003)	(69.8%)

**Pensions** – The year to date position is underspent as we have not any medical retirements so far this year and we budget for one per month at an average cost of £83k. The projection includes an estimate for 10 to be paid in this financial year.

**Officer & Staff Allowances** – The year to date underspend includes:

- Pay reserves held for in year for unforeseen changes (£265k)
- Apprenticeship Levy (£36k)
- Holiday Pay on Overtime (£59k)
- Comp Grant, TRA & Housing (£20k)

Projected position – underspend increasing to (£616k). This includes:

- Pay reserves (£403k)
- Apprenticeship Levy (£71k)
- Holiday Pay on Overtime (£128k)
- Comp Grant, TRA & Housing (£74k)
- NI & Super on Standby £55k

**Central Costs** – the YTD underspend of £554k includes:

- Wilfred Fuller achieving income above budget (£10k)
- Reserves (£137k) Emerging Issues and unspent growth relating to external forensic costs and Tri Force transition contingency.
- HQ Central (£397k) relating to saving on Council Tax scheme no longer running and underspend on insurance premiums. We are also over achieving on dividend and investment income.

Projected position – moving to £1.5m overspend, this is the effect of the £1.9m provision for insurance estimated at year-end.

**Central Savings** - This represents the balance of unachieved savings, offset by the contingency built in for this financial year. The projection assumes a further £940k of savings (part year effect) that can be realised from Technology Services relating to SAP and BT WAN.

**Student Officers** – The year to date spend represents the costs of the initial weeks for the intakes on IPLDP courses. All the new recruits now join through the PCDA route are being posted directly into Patrol. This budget line will therefore be removed in future years.

#### 4. PART TWO – 19/20 CAPITAL BUDGET PERFORMANCE

In January 2019 the anticipated new capital plan for 19/20 totalled £18.291m with the addition of carry forwards of capital schemes in progress amounting to £4.029m at the end of 18/19. The capital plan has since been reviewed and schemes have been added, removed or profiled into future years as necessary. These adjustments show a revised capital plan for Avon and Somerset of £18.221m for 19/20.

The table below summarises this movement:

	19/20 Plan	C/Fwd from 18/19	TOTAL Plan	Adjusts	TOTAL Revised Plan
	£'000	£'000	£'000	£'000	£'000
Asset Replacement & Renewal	8,001	1,080	9,081	(1,115)	7,966
Digital Programme	3,094	1,769	4,863	(2,861)	2,002
Infrastructure & Assets Programme	7,196	785	7,981	(700)	7,281
Service Workforce and Development programme	0	38	38	380	418
Other projects	0	94	94	5	99
Funded or part funded projects	0	263	263	192	455
<b>TOTAL</b>	<b>18,291</b>	<b>4,029</b>	<b>22,320</b>	<b>(4,099)</b>	<b>18,221</b>

#### 19/20 CAPITAL PROGRAMME OUTTURN

	TOTAL Plan	Actual Q3		Forecast Outturn	Over/(Under)	
	£'000	£'000	%	£'000	£'000	%
Asset Replacement & Renewal	7,966	3,082	38.6%	6,568	(1,398)	(17.5%)
Digital Programme	2,002	1,454	72.6%	1,965	(37)	(1.8%)
Infrastructure & Assets Programme	7,281	4,343	59.6%	6,017	(1,264)	(17.4%)
Service Workforce and Development programme	418	30	7.2%	109	(309)	(73.9%)
Other projects	99	73	73.7%	73	(26)	(26.2%)
Funded or part funded projects	455	74	16.0%	397	(57)	(12.5%)
<b>TOTAL</b>	<b>18,221</b>	<b>9,056</b>	<b>49.7%</b>	<b>15,129</b>	<b>(3,091)</b>	<b>(17.0%)</b>

At the end of Q3 19/20 £9.056m (49.7%) of the capital programme had been spent, further details of which are included within Annex E. As there are decisions outstanding on a number of projects within the capital plan, it continues to be reviewed and our plans prioritised as we move forward to year-end. The key highlight of the capital plan is as follows:

#### ASSET REPLACEMENT AND RENEWAL

The expenditure at the end of Q3 is £3,082K (38.6% of the plan) with a forecast of £6,568K (82.4%) to the end of the financial year. The key highlights from this element of the plan are:

- IT Renewal and replacements - £1,268K expenditure incurred to date, mainly on Network and servers. Expenditure of £2,916K is the forecast outturn position; DS3000 operating system (£594K), Servers & network (£463K), Data centre Strategy consolidation (£305K) and Digital Interview recording (£288K) are the key areas of spend forecast for Q4;
- Estates rolling replacement and renewal – £524K expenditure to date. Expenditure of £942K is the forecast outturn position. The main projects being the HQ replacement generator £646K and upgrades to electrics/lighting, fire precaution and central heating £122K;
- Vehicle replacements - £1,226K has been spent on replacement vehicles to date with a further £1,659K anticipated to be spent in the last quarter of 19/20. The purchasing of 50 response cars (Hyundai i10's) has been brought forward from 20/21 because of a procurement break;

- Capital Equipment Replacement – Expenditure of £190K is anticipated to be incurred during 19/20, with £35K currently spent on replacement ANPR equipment.

### **DIGITAL PROGRAMME**

Expenditure by end of Q3 was £1,454K (72.6% of the plan) with a forecast of £1,965K (98.2% of the plan) for 19/20. The key highlights from this element of the capital plan are as follows:-

- National Systems – very little has been spent to date, although we are currently forecasting £302K to be used by year end. We will keep this under close review over the next few months;
- Digital Mobilisation – expenditure in Q3 was £1,323K with a forecast expenditure for 19/20 of £1,601K. The expenditure to date was to purchase new laptops and mobile phones;
- Digital Evidence – No spend to date, although we are forecasting £11K to be spent as there is an outstanding commitment.

### **INFRASTRUCTURE AND ASSET PROGRAMME**

In Q3 £4,343K (59.6% of the plan) was spent on the infrastructure programme the forecast expenditure in 19/20 is £6,017K (82.6% of the plan). The key highlights of this programme include:

- Somerset East - £224K is forecast to be spent by year-end on the redevelopment of Yeovil police station. So far this year £174K has been spent mainly on professional fees. The budget has been adjusted as expecting more of the works to be carried out in future years, and we will continue to review and refine the budget and forecast in light of decisions to be made;
- Mendip/Sedgemoor - £1,429K is forecast to be spent by year-end. This total includes the new Shepton Mallet site (£1,114K) and Street police station (£296K). The budget for Wells and Radstock stations will be moved to 20/21. So far £930K has been spent this year.
- Bristol/Bath - £3,985K forecast to be spent this year. This figure includes the Kenneth Steele House refurbishment (£3,471K), Westgate House (£452K) and Bath Lewis House (£62K). To date, £3,116 has been spent, of which £2,725K is on the Kenneth Steele project;
- Somerset West - £88K forecast to be spent this year. This includes new Minehead (£50K) and outstanding spend relating to the new Taunton police station (£8K). Majority of the spend on the new Williton station has now been moved to 20/21, leaving £30K of spend in this year;
- Other - £218K is forecast to be spent this year, this figure includes Midsomer Norton workshop (£72K) and Bridgwater workshop (£146K).

### **SERVICE WORKFORCE AND DEVELOPMENT**

The forecast expenditure for the service redesign and development for 19/20 is £109K, which includes:

- WAN Project - £30K
- E-Recruitment Solution HR - £29K
- Chronicle Platform (Learning) - £50K

### **OTHER PROJECTS**

The key highlights from this element of the capital plan are:

- Voice and Data Communications – £73K forecast

### **FUNDED OR PART FUNDED PROJECTS**

There are several projects outside of the immediate control of our capital programme, often reflecting the specific restrictions on the funding and, or the partnership basis of the initiative being supported. It is anticipated that £397K will be spent in 19/20 and the key highlights from this element of the capital plan include:

- Counter Terrorism Policing SW (CTPSW) Premises – upgrade boiler and lighting £45K
- CTPSW IT and Equipment – £60K
- SW Regional Organised Crime Unit Vehicles £232K and CTPSW vehicles £52K

## **5. EQUALITY ANALYSIS**

All business cases in support of change, both with revenue and capital implications are subject to an equality impact assessment. This way we can ensure that those decisions on how we allocate our funding across budgets and plans are cognisant of equality issues.

## **6. SUSTAINABILITY**

Sustainability is important in regard to ensuring the organisation is living within both its financial limits (financial sustainability) as well as within its environmental limits through ensuring effective and efficient use of natural resources. In fulfilling the objectives in terms of financial sustainability, this report, and our annual financial planning which culminates in the publication of our Medium Term Financial Plan, ensure we are able to maintain a good overview of our financial sustainability. Wider environmental sustainability considerations are also accounted for within the budget and capital programme.

## **7. CONCLUSIONS AND RECOMMENDATIONS**

This report for Q3 shows a forecasted underspend at the year-end of £3.3m which is an improvement on the previously forecasted underspend of £4.8m at Q2.

Plans to accelerate initiatives to ensure a reduction in underspend were implemented during the quarter although in some cases, plans slowed down due to national initiatives.

The capital forecast has become more committed over Q3 and the forecast now totals £15.1m to end of March 2020. With only £9m of the forecast spent at the end of Q3, there is still an ambitious target to spend £6m in the remaining three months of 19/20.

Although we are expecting to receive some funding in 19/20 towards the achievement of the uplift of new officers, this has not been included in our forecasts at this stage.

**Members of CMB are invited to review and discuss this financial performance report.**

## OFFICIAL

ANNEX A - Subjective Structure 2019/20 Revenue Outturn December 2019	19/20	19/20	Over/	Over/	19/20	19/20	Over/	Over/
	YTD	YTD	(Under)	(Under)	Projected	Annual Budget	(Under)	(Under)
	Actual	Budget			Outturn			
	£'000	£'000	£'000	%	£'000	£'000	£'000	%
Police Officer pay and allowances	101,342	107,130	(5,788)	(5.4%)	135,887	143,525	(7,638)	(5.3%)
Police Officer Overtime	3,940	4,184	(243)	(5.8%)	6,224	5,895	329	5.6%
Police Staff pay and allowances	55,061	57,713	(2,652)	(4.6%)	73,797	76,989	(3,193)	(4.1%)
Police Staff Overtime	968	881	87	9.9%	1,516	1,299	217	16.7%
PCSO pay and allowances	8,006	8,600	(594)	(6.9%)	10,778	11,565	(787)	(6.8%)
PCSO Overtime	15	2	13	535.8%	23	4	20	562.5%
Indirect Employee Expenses	1,511	1,287	223	17.4%	1,943	1,690	253	15.0%
Pensions	4,930	5,784	(854)	(14.8%)	7,756	7,711	44	0.6%
<b>EMPLOYEE COSTS</b>	<b>175,773</b>	<b>185,581</b>	<b>(9,808)</b>	<b>(5.3%)</b>	<b>237,924</b>	<b>248,679</b>	<b>(10,755)</b>	<b>(4.3%)</b>
<b>PREMISES COSTS</b>	<b>10,581</b>	<b>10,366</b>	<b>215</b>	<b>2.1%</b>	<b>13,785</b>	<b>13,033</b>	<b>753</b>	<b>5.8%</b>
<b>TRANSPORT COSTS</b>	<b>3,887</b>	<b>3,977</b>	<b>(91)</b>	<b>(2.3%)</b>	<b>5,335</b>	<b>5,419</b>	<b>(84)</b>	<b>(1.5%)</b>
<b>S&amp;S - COMMUNICATIONS AND COMPUTING COSTS</b>	<b>11,936</b>	<b>12,080</b>	<b>(144)</b>	<b>(1.2%)</b>	<b>16,363</b>	<b>16,491</b>	<b>(128)</b>	<b>(0.8%)</b>
<b>S&amp;S - FORENSICS COSTS</b>	<b>39</b>	<b>65</b>	<b>(26)</b>	<b>(39.9%)</b>	<b>76</b>	<b>87</b>	<b>(11)</b>	<b>(13.1%)</b>
<b>S&amp;S - OTHER COSTS</b>	<b>9,204</b>	<b>10,753</b>	<b>(1,549)</b>	<b>(14.4%)</b>	<b>15,842</b>	<b>14,056</b>	<b>1,786</b>	<b>12.7%</b>
<b>PARTNERSHIP COSTS (3RD PARTY PAYMENTS)</b>	<b>10,262</b>	<b>10,240</b>	<b>22</b>	<b>0.2%</b>	<b>14,364</b>	<b>13,859</b>	<b>505</b>	<b>3.6%</b>
<b>TRANSFERS TO/(FROM) RESERVES</b>	<b>(2,741)</b>	<b>(2,840)</b>	<b>99</b>	<b>(3.5%)</b>	<b>(350)</b>	<b>(2,558)</b>	<b>2,208</b>	<b>(86.3%)</b>
<b>CAPITAL FINANCING COSTS</b>	<b>17,769</b>	<b>17,808</b>	<b>(40)</b>	<b>(0.2%)</b>	<b>19,858</b>	<b>19,926</b>	<b>(68)</b>	<b>(0.3%)</b>
<b>OUTSTANDING SAVINGS TARGET</b>	<b>0</b>	<b>(2,607)</b>	<b>2,607</b>	<b>(100.0%)</b>	<b>(940)</b>	<b>(2,607)</b>	<b>1,667</b>	<b>(63.9%)</b>
<b>TOTAL CONSTABULARY EXPENDITURE</b>	<b>236,710</b>	<b>245,423</b>	<b>(8,714)</b>	<b>(3.6%)</b>	<b>322,257</b>	<b>326,384</b>	<b>(4,126)</b>	<b>(1.3%)</b>
INCOME - SPECIAL GRANTS	(5,649)	(5,642)	(7)	0.1%	(7,526)	(7,523)	(3)	0.0%
INCOME - OTHER	(12,114)	(12,431)	317	(2.5%)	(14,809)	(15,670)	861	(5.5%)
<b>TOTAL CONSTABULARY INCOME</b>	<b>(17,764)</b>	<b>(18,073)</b>	<b>310</b>	<b>(1.7%)</b>	<b>(22,334)</b>	<b>(23,192)</b>	<b>858</b>	<b>(3.7%)</b>
<b>TOTAL CONSTABULARY (exc Misc/Grants/Secondees)</b>	<b>218,946</b>	<b>227,350</b>	<b>(8,404)</b>	<b>(3.7%)</b>	<b>299,923</b>	<b>303,191</b>	<b>(3,268)</b>	<b>(1.1%)</b>
MISCELLANEOUS	0	(33)	33	(100.5%)	(33)	(33)	0	0.0%
GRANTS	(403)	(1,177)	774	(65.7%)	(1,720)	(1,720)	0	0.0%
SECONDEES	42	(4)	46	(1,195.4%)	1	1	0	0.0%
<b>TOTAL CONSTABULARY</b>	<b>218,585</b>	<b>226,136</b>	<b>(7,552)</b>	<b>(3.3%)</b>	<b>298,171</b>	<b>301,439</b>	<b>(3,268)</b>	<b>(1.1%)</b>
OFFICE OF THE POLICE AND CRIME COMMISSIONER	1,032	1,127	(95)	(8.4%)	1,524	1,471	53	3.6%
COMMISSIONING COSTS	1,268	3,445	(2,177)	(63.2%)	3,256	3,372	(116)	(3.4%)
<b>TOTAL OPCC AND COMMISSIONING</b>	<b>2,300</b>	<b>4,572</b>	<b>(2,272)</b>	<b>(49.7%)</b>	<b>4,779</b>	<b>4,843</b>	<b>(63)</b>	<b>(1.3%)</b>
<b>TOTAL REVENUE EXPENDITURE</b>	<b>220,885</b>	<b>230,708</b>	<b>(9,823)</b>	<b>(4.3%)</b>	<b>302,950</b>	<b>306,282</b>	<b>(3,332)</b>	<b>(1.1%)</b>



# OFFICIAL

ANNEX B - Mgt Structure 2019/20 Revenue Outturn December 2019	19/20 YTD Actual £'000	19/20 YTD Budget £'000	Over/ (Under) £'000	Over/ (Under) %	19/20 Projected Outturn £'000	19/20 Annual Budget £'000	Over/ (Under) £'000	Over/ (Under) %
Neighbourhood Policing	21,127	21,436	(310)	(1.4%)	28,398	28,883	(485)	(1.7%)
Road Safety	56	128	(72)	(56.1%)	139	171	(32)	(18.9%)
Offender Management	3,592	3,751	(159)	(4.2%)	4,838	4,952	(113)	(2.3%)
Victims and Safeguarding	2,807	3,074	(267)	(8.7%)	3,740	4,118	(378)	(9.2%)
Citizens in Policing	124	97	28	28.6%	194	132	62	46.9%
<b>NEIGHBOURHOOD &amp; PARTNERSHIP</b>	<b>27,706</b>	<b>28,486</b>	<b>(780)</b>	<b>(2.7%)</b>	<b>37,310</b>	<b>38,256</b>	<b>(946)</b>	<b>(2.5%)</b>
Command and Control	12,264	12,128	136	1.1%	16,442	16,252	190	1.2%
Patrol	36,754	37,468	(714)	(1.9%)	50,092	50,266	(174)	(0.3%)
Detainee Investigation Support	4,563	4,918	(355)	(7.2%)	6,120	6,593	(474)	(7.2%)
<b>RESPONSE</b>	<b>53,581</b>	<b>54,514</b>	<b>(932)</b>	<b>(1.7%)</b>	<b>72,653</b>	<b>73,110</b>	<b>(458)</b>	<b>(0.6%)</b>
Criminal Justice	9,993	9,465	528	5.6%	13,420	12,663	758	6.0%
Operations	4,135	4,559	(424)	(9.3%)	5,834	6,113	(280)	(4.6%)
Operation Remedy	3,697	4,522	(825)	(18.3%)	6,357	6,357	0	0.0%
Serious & Violent Crime	699	1,274	(575)	(45.2%)	1,720	1,720	0	
Operations Major Incidents	275	185	90	48.6%	337	247	90	36.4%
Intelligence and Tasking	7,054	7,539	(484)	(6.4%)	9,462	10,093	(631)	(6.2%)
Tactical Support Team	9,638	10,030	(392)	(3.9%)	13,051	13,657	(606)	(4.4%)
<b>OPERATIONAL SUPPORT</b>	<b>35,492</b>	<b>37,575</b>	<b>(2,083)</b>	<b>(5.5%)</b>	<b>50,181</b>	<b>50,850</b>	<b>(669)</b>	<b>(1.3%)</b>
Investigation	19,441	21,942	(2,501)	(11.4%)	25,853	29,237	(3,384)	(11.6%)
Investigation Major Incidents	469	643	(174)	(27.1%)	742	832	(90)	(10.8%)
<b>INVESTIGATION</b>	<b>19,910</b>	<b>22,586</b>	<b>(2,675)</b>	<b>(11.8%)</b>	<b>26,594</b>	<b>30,068</b>	<b>(3,474)</b>	<b>(11.6%)</b>
Scientific Investigation	5,365	5,567	(202)	(3.6%)	7,388	7,414	(27)	(0.4%)
Major Crime Investigation	3,236	3,776	(540)	(14.3%)	4,498	5,059	(560)	(11.1%)
South West ROCU	2,522	2,522	0	0.0%	3,362	3,362	0	0.0%
Special Branch	764	828	(64)	(7.7%)	1,049	1,105	(56)	(5.1%)
Black Rock	554	636	(82)	(12.8%)	838	848	(10)	(1.2%)
Counter Terrorism Specialist Firearms	420	566	(146)	(25.8%)	616	766	(151)	(19.7%)
Tri Force ACC	3	7	(4)	(55.4%)	3	7	(4)	(55.4%)
<b>COLLABORATION</b>	<b>12,864</b>	<b>13,903</b>	<b>(1,039)</b>	<b>(7.5%)</b>	<b>17,753</b>	<b>18,562</b>	<b>(808)</b>	<b>(4.4%)</b>
Technology Services	15,692	15,286	406	2.7%	21,774	20,881	893	4.3%
<b>INFORMATION TECHNOLOGY DIRECTORATE</b>	<b>15,692</b>	<b>15,286</b>	<b>406</b>	<b>2.7%</b>	<b>21,774</b>	<b>20,881</b>	<b>893</b>	<b>4.3%</b>
Chief Officer Group	1,289	1,208	81	6.7%	1,740	1,611	129	8.0%
Stores, Facilities & Evidential Property	1,584	1,758	(174)	(9.9%)	2,163	2,342	(179)	(7.6%)
Transport Services	3,548	3,479	69	2.0%	4,830	4,767	63	1.3%
Services Hub	3,047	3,390	(344)	(10.1%)	4,078	4,470	(392)	(8.8%)
Finance Department	1,161	1,166	(5)	(0.4%)	1,567	1,556	11	0.7%
Strategic Procurement Services	275	369	(93)	(25.3%)	418	494	(76)	(15.4%)
Estates	10,409	9,929	480	4.8%	13,939	12,674	1,265	10.0%
<b>FINANCE &amp; BUSINESS SERVICES DIRECTORATE</b>	<b>21,311</b>	<b>21,298</b>	<b>13</b>	<b>0.1%</b>	<b>28,734</b>	<b>27,912</b>	<b>822</b>	<b>2.9%</b>
HR Operations	3,176	3,130	45	1.4%	4,434	4,160	274	6.6%
Staff Associations	457	581	(124)	(21.4%)	674	767	(93)	(12.2%)
Learning	3,466	3,816	(350)	(9.2%)	4,889	5,042	(152)	(3.0%)
Legal Services	1,018	1,054	(36)	(3.4%)	1,421	1,456	(36)	(2.5%)
Occupational Health	623	623	(0)	(0.0%)	880	831	48	5.8%
Health & Safety	57	71	(14)	(20.0%)	75	96	(21)	(22.0%)
<b>PEOPLE &amp; ORG DEVELOPMENT DIRECTORATE</b>	<b>8,796</b>	<b>9,276</b>	<b>(480)</b>	<b>(5.2%)</b>	<b>12,372</b>	<b>12,352</b>	<b>20</b>	<b>0.2%</b>
Transformation	684	916	(232)	(25.3%)	949	1,206	(258)	(21.4%)
Improvement	1,402	1,622	(221)	(13.6%)	1,773	2,171	(398)	(18.3%)
Force Crime & Incident Registrar	179	174	5	2.9%	245	233	13	5.6%
Strategic Projects	1,371	1,750	(379)	(21.6%)	2,901	2,901	(0)	(0.0%)
Corporate Communications	591	707	(116)	(16.4%)	861	932	(71)	(7.6%)
Professional Standards Department	1,412	1,409	3	0.2%	1,912	1,905	7	0.4%
<b>TRANSFORMATION &amp; IMPROVEMENT DIRECTORATE</b>	<b>5,639</b>	<b>6,578</b>	<b>(940)</b>	<b>(14.3%)</b>	<b>8,641</b>	<b>9,348</b>	<b>(707)</b>	<b>(7.6%)</b>
Pensions	6,960	8,085	(1,124)	(13.9%)	10,637	10,582	54	0.5%
Officer & Staff Allowances	1,651	2,085	(434)	(20.8%)	2,326	2,884	(558)	(19.3%)
Central Costs	8,914	9,208	(294)	(3.2%)	11,461	9,556	1,905	19.9%
Central Savings	0	(2,607)	2,607	(100.0%)	(940)	(2,607)	1,667	(63.9%)
Student Officers	428	1,078	(650)	(60.3%)	427	1,437	(1,010)	(70.3%)
<b>CENTRAL COSTS</b>	<b>17,954</b>	<b>17,849</b>	<b>105</b>	<b>0.6%</b>	<b>23,911</b>	<b>21,852</b>	<b>2,059</b>	<b>9.4%</b>
<b>TOTAL CONSTABULARY (exc Misc/Grants/Seconded)</b>	<b>218,946</b>	<b>227,350</b>	<b>(8,404)</b>	<b>(3.7%)</b>	<b>299,923</b>	<b>303,191</b>	<b>(3,268)</b>	<b>(1.1%)</b>
MISCELLANEOUS	0	(33)	33	(100.5%)	(33)	(33)	0	0.0%
GRANTS	(403)	(1,177)	774	(65.7%)	(1,720)	(1,720)	0	0.0%
SECONDEES	42	(4)	46		1	1	0	0.0%
<b>TOTAL CONSTABULARY</b>	<b>218,585</b>	<b>226,136</b>	<b>(7,552)</b>	<b>(3.3%)</b>	<b>298,171</b>	<b>301,439</b>	<b>(3,268)</b>	<b>(1.1%)</b>
OFFICE OF THE POLICE AND CRIME COMMISSIONER	1,032	1,127	(95)	(8.4%)	1,524	1,471	53	3.6%
COMMISSIONING COSTS	1,268	3,445	(2,177)	(63.2%)	3,256	3,372	(116)	(3.4%)
<b>TOTAL OPCC AND COMMISSIONING</b>	<b>2,300</b>	<b>4,572</b>	<b>(2,272)</b>	<b>(49.7%)</b>	<b>4,779</b>	<b>4,843</b>	<b>(63)</b>	<b>(1.3%)</b>
<b>TOTAL REVENUE EXPENDITURE</b>	<b>220,885</b>	<b>230,708</b>	<b>(9,823)</b>	<b>(4.3%)</b>	<b>302,950</b>	<b>306,282</b>	<b>(3,332)</b>	<b>(1.1%)</b>

## OFFICIAL

<b>ANNEX C</b>							
<b>Police Officer Overtime</b>							
<b>December 2019</b>	<b>TOTAL</b>	<b>YTD Budget</b>	<b>YTD Variance</b>	<b>YTD %</b>	<b>Projection</b>	<b>Annual Budget</b>	<b>(Under) / Over Spent</b>
Neighbourhood Policing	182,660	177,416	5,244	3.0%	283,952	199,500	84,452
Road Safety	530	-	530	0.0%	795	-	795
Offender Management	17,128	16,927	201	1.2%	25,725	25,400	325
Victims and Safeguarding	- 1,200	7,130	- 8,330	-116.8%	- 1,450	10,700	- 12,150
Citizens in Policing	260	-	260	0.0%	519	-	519
<b>NEIGHBOURHOOD &amp; PARTNERSHIP</b>	<b>199,377</b>	<b>201,473</b>	<b>- 2,095</b>	<b>-1.0%</b>	<b>309,542</b>	<b>235,600</b>	<b>73,942</b>
Command and Control	2,212	3,599	- 1,386	-38.5%	3,364	5,400	- 2,036
Patrol	1,127,314	920,057	207,258	22.5%	1,655,517	1,415,400	240,117
Detainee Investigation Support	79,720	41,094	38,626	94.0%	122,327	63,800	58,527
<b>RESPONSE</b>	<b>1,209,246</b>	<b>964,749</b>	<b>244,498</b>	<b>25.3%</b>	<b>1,781,208</b>	<b>1,484,600</b>	<b>296,608</b>
Criminal Justice	137,942	73,788	64,155	86.9%	210,442	115,100	95,342
Operations	632,996	594,219	38,777	6.5%	761,699	664,700	96,999
Operation Remedy	208,403	265,827	- 57,424	-21.6%	313,187	398,900	- 85,713
Serious & Violent Crime	89,316	361,525	- 272,209	-75.3%	501,400	501,400	-
Operations Major Incidents	97,683	124,817	- 27,133	-21.7%	166,400	166,400	-
Intelligence and Tasking	21,614	29,828	- 8,214	-27.5%	33,595	46,400	- 12,805
Tactical Support Team	381,536	204,382	177,154	86.7%	577,948	314,100	263,848
<b>OPERATIONAL SUPPORT</b>	<b>1,569,490</b>	<b>1,654,385</b>	<b>- 84,895</b>	<b>34.0%</b>	<b>2,564,671</b>	<b>2,207,000</b>	<b>357,671</b>
Investigation	472,290	617,445	- 145,155	-23.5%	721,948	941,400	- 219,452
Investigation Major Incidents	147,107	314,570	- 167,463	-53.2%	336,600	426,600	- 90,000
<b>INVESTIGATION</b>	<b>619,397</b>	<b>932,015</b>	<b>- 312,618</b>	<b>-5.4%</b>	<b>1,058,549</b>	<b>1,368,000</b>	<b>- 309,451</b>
Major Crime Investigations	14,329	18,129	- 3,801	-21.0%	25,383	27,900	- 2,517
Special Branch	8,063	7,398	665	9.0%	11,984	11,400	584
Counter Terrorism Specialist Firearms	62,055	32,821	29,235	89.1%	99,963	50,000	49,963
<b>COLLABORATION</b>	<b>84,446</b>	<b>58,347</b>	<b>26,099</b>	<b>44.7%</b>	<b>137,330</b>	<b>89,300</b>	<b>48,030</b>
Services Hub	1	-	1	0.0%	1	-	1
<b>FINANCE &amp; BUSINESS SERVICES DIRECTORATE</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>0.0%</b>	<b>1</b>	<b>-</b>	<b>1</b>
HR Operations	288	-	288	0.0%	288	-	288
Organisational Development	838	200	638	319.3%	1,257	300	957
Learning	10,525	3,532	6,993	198.0%	15,787	5,300	10,487
<b>PEOPLE &amp; ORGANISATIONAL DEVELOPMENT DIRECTORATE</b>	<b>11,651</b>	<b>3,732</b>	<b>7,919</b>	<b>212.2%</b>	<b>17,332</b>	<b>5,600</b>	<b>11,732</b>
Improvement	188	3,932	- 3,744	-95.2%	1,800	5,900	- 4,100
Strategic Projects	548	-	548	0.0%	548	-	548
Professional Standards Department	2,856	1,200	1,657	138.1%	4,284	1,800	2,484
<b>TRANSFORMATION &amp; IMPROVEMENT DIRECTORATE</b>	<b>3,592</b>	<b>5,131</b>	<b>- 1,539</b>	<b>- 0.3</b>	<b>6,632</b>	<b>7,700</b>	<b>- 1,068</b>
Officer & Staff Allowances	157,734	252,099	- 94,366	-37.4%	260,709	378,300	- 117,592
Central Costs	84,217	111,400	- 27,183	-24.4%	88,329	118,900	- 30,571
Student Officers	1,217	-	1,217	0.0%	-	-	-
<b>CENTRAL COSTS</b>	<b>243,168</b>	<b>363,499</b>	<b>- 120,331</b>	<b>-33.1%</b>	<b>349,038</b>	<b>497,200</b>	<b>- 148,162</b>
<b>TOTAL CONSTABULARY (exc Misc/Grants/Secondees)</b>	<b>3,940,369</b>	<b>4,183,331</b>	<b>- 242,962</b>	<b>-5.8%</b>	<b>6,224,303</b>	<b>5,895,000</b>	<b>329,303</b>
MISCELLANEOUS	687	-	687	0.0%	-	-	-
GRANTS	41,954	43,849	- 1,895	-4.3%	5,500	65,800	- 60,300
SECONDEES	31,348	25,123	6,225	24.8%	37,700	37,700	-
<b>TOTAL CONSTABULARY</b>	<b>4,014,359</b>	<b>4,252,303</b>	<b>- 237,944</b>	<b>-5.6%</b>	<b>6,267,503</b>	<b>5,998,500</b>	<b>269,003</b>

# OFFICIAL

ANNEX D Police Staff Overtime December 2019	TOTAL	YTD Budget	YTD Variance	YTD %	Projection	Annual Budget	(Under) / Over Spent
Neighbourhood Policing	14,895.4	6,730.6	8,164.8	121.3%	22,429.4	10,100.0	12,329.4
Offender Management	14,111.3	11,680.7	2,430.6	20.8%	21,166.9	16,900.0	4,266.9
Victims and Safeguarding	17,622.3	14,661.2	2,961.1	20.2%	26,477.4	22,100.0	4,377.4
<b>NEIGHBOURHOOD &amp; PARTNERSHIP</b>	<b>46,629.1</b>	<b>33,072.5</b>	<b>13,556.6</b>	<b>41.0%</b>	<b>70,073.7</b>	<b>49,100.0</b>	<b>20,973.7</b>
Command and Control	225,961.3	203,180.4	22,780.9	11.2%	347,259.1	311,400.0	35,859.1
Patrol	70.4	-	70.4	0.0%	106.0	-	106.0
Detainee Investigation Support	19,429.9	22,195.9	- 2,766.0	-12.5%	29,767.5	34,500.0	- 4,732.5
<b>RESPONSE</b>	<b>245,461.7</b>	<b>225,376.3</b>	<b>20,085.4</b>	<b>8.9%</b>	<b>377,132.7</b>	<b>345,900.0</b>	<b>31,232.7</b>
Criminal Justice	107,032.7	77,776.2	29,256.5	37.6%	161,817.4	118,600.0	43,217.4
Operations	18,932.3	14,966.2	3,966.1	26.5%	21,667.5	15,600.0	6,067.5
Operation Remedy	8,240.3	62,108.5	- 53,868.2	-86.7%	12,382.0	93,200.0	- 80,818.0
Serious & Violent Crime	1,225.9	-	1,225.9	0.0%	2,525.0	-	2,525.0
Operations Major Incidents	1,550.5	26,703.6	- 25,153.1	-94.2%	35,600.0	35,600.0	-
Intelligence and Tasking	64,554.1	44,986.2	19,567.9	43.5%	97,767.1	68,600.0	29,167.1
Tactical Support Team	1,308.7	3,532.6	- 2,223.8	-63.0%	1,882.1	5,300.0	- 3,417.9
<b>OPERATIONAL SUPPORT</b>	<b>202,844.5</b>	<b>230,073.2</b>	<b>- 27,228.7</b>	<b>-11.8%</b>	<b>333,641.1</b>	<b>336,900.0</b>	<b>- 3,258.9</b>
Investigation	49,630.6	12,728.2	36,902.4	289.9%	77,958.6	19,100.0	58,858.6
Investigation Major Incidents	50,231.4	79,035.7	- 28,804.3	-36.4%	105,799.8	105,800.0	- 0.2
<b>INVESTIGATION</b>	<b>99,862.0</b>	<b>91,764.0</b>	<b>8,098.1</b>	<b>8.8%</b>	<b>183,758.4</b>	<b>124,900.0</b>	<b>58,858.4</b>
Scientific Investigations	49,175.0	57,776.9	- 8,601.9	-14.9%	74,838.0	86,700.0	- 11,862.0
Major Crime Investigations	14,941.2	10,597.8	4,343.4	41.0%	20,786.0	16,500.0	4,286.0
Special Branch	- 136.0	399.8	- 535.8	-134.0%	296.0	600.0	- 304.0
<b>COLLABORATION</b>	<b>63,980.2</b>	<b>68,774.5</b>	<b>- 4,794.3</b>	<b>-7.0%</b>	<b>95,920.0</b>	<b>103,800.0</b>	<b>- 7,880.0</b>
Technology Services	33,426.9	72,770.9	- 39,343.9	-54.1%	50,263.9	109,200.0	- 58,936.1
<b>INFORMATION TECHNOLOGY DIRECTORATE</b>	<b>33,426.9</b>	<b>72,770.9</b>	<b>- 39,343.9</b>	<b>-54.1%</b>	<b>50,263.9</b>	<b>109,200.0</b>	<b>- 58,936.1</b>
Chief Officer Group	3,831.8	12,195.1	- 8,363.4	-68.6%	5,747.6	18,300.0	- 12,552.4
Stores, Facilities & Evidential Property	22,514.9	999.6	21,515.3	2152.4%	32,338.6	1,500.0	30,838.6
Transport Services	62,920.5	33,653.2	29,267.3	87.0%	94,454.5	50,500.0	43,954.5
Services Hub	36,420.9	6,398.6	30,022.4	469.2%	55,181.4	10,000.0	45,181.4
Finance Department	6,803.7	-	6,803.7	0.0%	8,787.0	-	8,787.0
Strategic Procurement Services	109.7	-	109.7	0.0%	109.5	-	109.5
Estates	5,330.1	11,262.2	- 5,932.1	-52.7%	7,995.1	16,900.0	- 8,904.9
<b>FINANCE &amp; BUSINESS SERVICES DIRECTORATE</b>	<b>137,931.5</b>	<b>64,508.6</b>	<b>73,422.8</b>	<b>113.8%</b>	<b>204,613.8</b>	<b>97,200.0</b>	<b>107,413.8</b>
HR Operations	14,304.7	3,998.4	10,306.3	0.0%	21,457.0	6,000.0	15,457.0
Learning	23,218.8	1,599.4	21,619.4	1351.8%	31,828.0	2,400.0	29,428.0
Legal Services	3,642.7	-	3,642.7	0.0%	5,464.0	-	5,464.0
Occupational Health	209.9	-	209.9	0.0%	210.0	-	210.0
<b>PEOPLE &amp; ORGANISATIONAL DEVELOPMENT DIRECTORATE</b>	<b>41,376.0</b>	<b>5,597.8</b>	<b>35,778.3</b>	<b>639.2%</b>	<b>58,959.0</b>	<b>8,400.0</b>	<b>50,559.0</b>
Transformation	6,405.5	-	6,405.5	0.0%	9,608.0	-	9,608.0
Improvement	18,398.5	23,302.7	- 4,904.2	-21.0%	31,200.0	31,200.0	-
Strategic Projects	2,195.1	-	2,195.1	0.0%	3,293.0	-	3,293.0
Corporate Communications	11,423.3	13,928.2	- 2,504.9	-18.0%	21,000.0	21,000.0	-
Professional Standards Department	5,360.2	1,732.6	3,627.5	209.4%	8,080.0	2,600.0	5,480.0
<b>TRANSFORMATION &amp; IMPROVEMENT DIRECTORATE</b>	<b>43,782.5</b>	<b>38,963.5</b>	<b>4,819.1</b>	<b>0.1</b>	<b>73,181.0</b>	<b>54,800.0</b>	<b>18,381.0</b>
Officer & Staff Allowances	42,926.5	39,251.0	3,675.5	9.4%	66,765.8	58,900.0	7,865.8
Central Costs	25,155.4	13,300.0	11,855.4	89.1%	25,155.4	13,600.0	11,555.4
<b>CENTRAL COSTS</b>	<b>68,081.9</b>	<b>52,551.0</b>	<b>15,530.9</b>	<b>29.6%</b>	<b>91,921.2</b>	<b>72,500.0</b>	<b>19,421.2</b>
<b>TOTAL CONSTABULARY (exc Misc/Grants/Secondees)</b>	<b>983,376.3</b>	<b>883,452.1</b>	<b>99,924.1</b>	<b>11.3%</b>	<b>1,539,464.7</b>	<b>1,302,700.0</b>	<b>236,764.7</b>
MISCELLANEOUS	36.5	-	36.5	0.0%	-	-	-
GRANTS	4,207.7	4,125.6	82.1	2.0%	38,200.0	5,500.0	32,700.0
SECONDEES	1,899.2	-	1,899.2	0.0%	-	-	-
<b>TOTAL CONSTABULARY</b>	<b>989,519.6</b>	<b>887,577.7</b>	<b>101,942.0</b>	<b>11.5%</b>	<b>1,577,664.7</b>	<b>1,308,200.0</b>	<b>269,464.7</b>
OFFICE OF THE POLICE AND CRIME COMMISSIONER	2,132.2	3,332.0	- 1,199.9	-36.0%	3,945.0	5,000.0	- 1,055.0
<b>TOTAL OPCC AND COMMISSIONING</b>	<b>2,132.2</b>	<b>3,332.0</b>	<b>- 1,199.9</b>	<b>-36.0%</b>	<b>3,945.0</b>	<b>5,000.0</b>	<b>- 1,055.0</b>
<b>TOTAL REVENUE EXPENDITURE</b>	<b>991,651.8</b>	<b>890,909.7</b>	<b>100,742.1</b>	<b>11.3%</b>	<b>1,581,609.7</b>	<b>1,313,200.0</b>	<b>268,409.7</b>

## OFFICIAL

Replacement and Renewal Programme		Original Plan			Revisions		QTR 3 YTD			FORECAST TO YEAR END				
	Project Spend as at 31.03.19	Plan as per MTFP	C/Fwd as Per Outturn	TOTAL	Changes	TOTAL	Acc Month 9 Actual	Qtr 1, 2 & 3 Budget	Qtr 3 Variance	Qtr 4 Forecast	Projected Forecast to Year End	Total 19/20 Budget	Budget Carry Forward to 20/21	Over/(Under)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Information and Communication Systems</b>														
SUB-TOTAL End User Device Replacement	0.0	1,545.0	0.0	1,545.0	-673.0	872.0	538.1	536.0	2.1	623.7	1,161.8	872.0	0.0	289.8
SUB-TOTAL ICT Infrastructure Replacement	800.8	1,794.0	0.0	1,794.0	-429.0	1,365.0	648.1	1,000.0	-351.9	998.3	1,646.4	1,365.0	0.0	281.4
SUB-TOTAL Other Projects	28.6	471.0	0.0	471.0	-3.8	467.2	82.2	124.5	-42.3	21.7	103.9	467.2	0.0	-363.3
<b>TOTAL INFORMATION AND COMMUNICATIONS SYSTEMS</b>	<b>829.4</b>	<b>3,810.0</b>	<b>0.0</b>	<b>3,810.0</b>	<b>-1,105.8</b>	<b>2,704.2</b>	<b>1,268.4</b>	<b>1,660.5</b>	<b>-392.1</b>	<b>1,643.7</b>	<b>2,912.1</b>	<b>2,704.2</b>	<b>0.0</b>	<b>207.9</b>
<b>Estates</b>														
<b>TOTAL ESTATES</b>	<b>968.2</b>	<b>1,501.0</b>	<b>357.0</b>	<b>1,858.0</b>	<b>-359.0</b>	<b>1,499.0</b>	<b>523.6</b>	<b>899.5</b>	<b>-375.9</b>	<b>544.3</b>	<b>1,067.9</b>	<b>1,499.0</b>	<b>0.0</b>	<b>-431.1</b>
<b>Fleet</b>														
<b>TOTAL FLEET</b>	<b>0.0</b>	<b>2,382.0</b>	<b>723.0</b>	<b>3,105.0</b>	<b>400.0</b>	<b>3,505.0</b>	<b>1,226.0</b>	<b>2,231.5</b>	<b>-1,005.5</b>	<b>1,171.9</b>	<b>2,397.9</b>	<b>3,505.0</b>	<b>0.0</b>	<b>-1,107.1</b>
<b>Equipment</b>														
<b>TOTAL Equipment</b>	<b>85.4</b>	<b>308.0</b>	<b>0.0</b>	<b>308.0</b>	<b>-50.0</b>	<b>258.0</b>	<b>64.0</b>	<b>168.0</b>	<b>-104.0</b>	<b>126.0</b>	<b>190.0</b>	<b>258.0</b>	<b>0.0</b>	<b>-68.0</b>
<b>TOTAL Replacement and Renewal Programme</b>	<b>1,882.9</b>	<b>8,001.0</b>	<b>1,080.0</b>	<b>9,081.0</b>	<b>-1,114.8</b>	<b>7,966.2</b>	<b>3,082.0</b>	<b>4,959.5</b>	<b>-1,877.4</b>	<b>3,485.9</b>	<b>6,567.9</b>	<b>7,966.2</b>	<b>0.0</b>	<b>-1,398.3</b>
<b>Programmes</b>														
<b>Digital Programme</b>														
SUB-TOTAL National Programme	219.0	2,044.0	3.0	2,047.0	-1,360.0	687.0	130.8	182.0	-51.2	221.0	351.8	687.0	0.0	-335.2
SUB-TOTAL Digital Mobilisation	9,758.2	625.0	1,673.0	2,298.0	-983.3	1,314.7	1,322.9	1,215.0	107.9	278.5	1,601.4	1,314.7	0.0	286.7
SUB-TOTAL Digital Evidence	372.7	425.0	93.0	518.0	-518.0	0.0	0.0	0.0	0.0	11.4	11.4	0.0	0.0	11.4
<b>TOTAL DIGITAL PROGRAMME</b>	<b>10,349.9</b>	<b>3,094.0</b>	<b>1,769.0</b>	<b>4,863.0</b>	<b>-2,861.3</b>	<b>2,001.7</b>	<b>1,453.7</b>	<b>1,397.0</b>	<b>56.7</b>	<b>510.9</b>	<b>1,964.6</b>	<b>2,001.7</b>	<b>0.0</b>	<b>-37.1</b>
<b>Infrastructure and Assets Programme</b>														
SUB-TOTAL Somerset East (Yeovil) Sites	63.3	2,162.0	111.0	2,273.0	-1,173.0	1,100.0	173.5	600.0	-426.5	161.6	335.1	1,100.0	0.0	-764.9
SUB-TOTAL North Somerset Sites	0.0	0.0	0.0	0.0	0.0	0.0	89.2	0.0	89.2	-38.7	50.5	0.0	0.0	50.5
SUB-TOTAL Mendip/Sedgemoor Sites	69.5	1,192.0	21.0	1,213.0	592.0	1,805.0	929.9	1,338.0	-408.1	484.3	1,414.2	1,805.0	0.0	-390.8
SUB-TOTAL Bristol/North Sites/Bath	538.5	2,488.0	545.0	3,033.0	614.0	3,647.0	3,115.9	824.5	2,291.4	895.0	4,011.0	3,647.0	0.0	364.0
SUB-TOTAL Somerset West Sites	682.7	1,249.0	108.0	1,357.0	-821.0	536.0	8.2	304.5	-296.3	80.0	88.2	536.0	0.0	-447.8
SUB-TOTAL Other	0.0	105.0	0.0	105.0	88.0	193.0	26.2	135.1	-108.9	92.1	118.3	193.0	0.0	-74.7
<b>TOTAL INFRASTRUCTURE and ASSETS PROGRAMME</b>	<b>1,354.0</b>	<b>7,196.0</b>	<b>785.0</b>	<b>7,981.0</b>	<b>-700.0</b>	<b>7,281.0</b>	<b>4,342.9</b>	<b>3,202.1</b>	<b>1,140.8</b>	<b>1,674.3</b>	<b>6,017.2</b>	<b>7,281.0</b>	<b>0.0</b>	<b>-1,263.8</b>
<b>Service Workforce and Development Programme</b>														
<b>TOTAL SERVICE WORKFORCE and DEVELOPMENT PROGRAMME</b>	<b>612.1</b>	<b>0.0</b>	<b>38.0</b>	<b>38.0</b>	<b>380.0</b>	<b>418.0</b>	<b>30.3</b>	<b>211.5</b>	<b>-181.2</b>	<b>78.8</b>	<b>109.1</b>	<b>418.0</b>	<b>0.0</b>	<b>-308.9</b>
<b>Regional Programme</b>														
<b>TOTAL REGIONAL PROGRAMME</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>OTHER PROJECTS</b>														
<b>TOTAL OTHER PROJECTS</b>	<b>2,968.0</b>	<b>0.0</b>	<b>94.0</b>	<b>94.0</b>	<b>5.0</b>	<b>99.0</b>	<b>73.3</b>	<b>99.0</b>	<b>-25.7</b>	<b>0.0</b>	<b>73.3</b>	<b>99.0</b>	<b>0.0</b>	<b>-25.7</b>
<b>TOTAL Programmes</b>	<b>15,284.1</b>	<b>10,290.0</b>	<b>2,686.0</b>	<b>12,976.0</b>	<b>-3,176.3</b>	<b>9,799.7</b>	<b>5,900.2</b>	<b>4,909.6</b>	<b>990.6</b>	<b>2,264.0</b>	<b>8,164.2</b>	<b>9,799.7</b>	<b>0.0</b>	<b>-1,635.5</b>
<b>Funded or Part Funded Projects</b>														
<b>TOTAL Funded or Part Funded Projects</b>	<b>3,118.1</b>	<b>0.0</b>	<b>263.0</b>	<b>263.0</b>	<b>191.7</b>	<b>454.7</b>	<b>73.8</b>	<b>422.7</b>	<b>-348.9</b>	<b>323.5</b>	<b>397.3</b>	<b>454.7</b>	<b>0.0</b>	<b>-57.4</b>
<b>TOTAL CAPITAL PROGRAMMES</b>	<b>20,285.2</b>	<b>18,291.0</b>	<b>4,029.0</b>	<b>22,320.0</b>	<b>-4,099.4</b>	<b>18,220.6</b>	<b>9,056.0</b>	<b>10,291.8</b>	<b>-1,235.8</b>	<b>6,073.4</b>	<b>15,129.4</b>	<b>18,220.6</b>	<b>0.0</b>	<b>-3,091.2</b>



# **Avon & Somerset Police & Crime Commissioner**

## **Medium Term Financial Plan**

2020/21 – 2024/25

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## Executive Summary

The Medium Term Financial Plan (MTFP) provides important context for the PCC and the Constabulary in its forward strategic planning. It is prepared following discussions and consultation with budget holders, in conjunction with service and workforce planning and through ongoing conversations between the PCC and Chief Constable and their respective teams.

This plan sets out a more positive financial position for the PCC and the Constabulary than has been the case in recent years. Our funding is set to increase significantly, reflecting the ambitions to uplift police officer numbers announced by the Government during 2019.

	Forecast				
	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
Budget requirement	335,165	349,649	364,020	376,789	388,672
Less; Total funding	328,451	341,669	354,957	365,228	375,610
<b>(Surplus)/Deficit before savings</b>	<b>6,714</b>	<b>7,980</b>	<b>9,062</b>	<b>11,562</b>	<b>13,062</b>
Savings	(6,714)	(7,980)	(9,062)	(9,062)	(9,062)
<b>(Surplus)/Deficit after savings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>4,000</b>

These increases enable us to plan for the delivery of the ambitious uplift programme, and support local investments to increase capacity, particularly in relation to our investigations directorate. Once our planned savings have been accounted for, we are able to present a plan which is balanced in 2020/21. Thereafter we have continued our plan for savings, and recognised the need to identify a further savings target of £1m in 2021/22 rising to £2m to 2022/23 to balance the revenue budget in each of those years.

The plan supports the delivery of our share of the extra 20,000 police officers being recruited across England and Wales. Our initial target of 137 to be achieved by March 2021 has been increased locally to an extra 165 officers. Thereafter we have assumed a total share of the national target of 368 by March 2023, which we have increased locally to 403 extra officers – **increasing our officer establishment to 3,150 FTE by the end of the 2022/23 financial year.**

	Confirmed		Assumed			
	Mar 20 FTE	Mar 21 FTE	Mar 22 FTE	Mar 23 FTE	Mar 24 FTE	Mar 25 FTE
Total National Officer Uplift	2,000	6,000	13,000	20,000	20,000	20,000
Less; allocation to non-territorial	-	-	-2,000	-4,000	-4,000	-4,000
Balance for territorial policing	2,000	6,000	11,000	16,000	16,000	16,000
A&S target – based on grant share @ 2.3%	+46	+137	+253	+368	+368	+368
<b>Locally stretched officer uplift target</b>	<b>+46</b>	<b>+165</b>	<b>+293</b>	<b>+403</b>	<b>+403</b>	<b>+403</b>

The key assumptions that follow from this forecast position are:-

- Our funding is forecast to grow by **£69.3m/22.6%** p.a. by 2024/25, driven by:-
  - Increases to our main police grant funding of **£12.2m/7.5%** in 20/21, rising to **£43.6m/26.8%** by 24/25;

- Introduction of new ring-fenced grant funding of **£3.8m** in 2020/21 to be paid in arrears following delivery of the Government's officer uplift target, which we have assumed will be consolidated into main grant upon delivery of the uplift target, to be replaced by a new ring-fenced grant in each of the next two years as further uplift targets are delivered;
- Council Tax funding will grow, driven by annual increases to our tax base of 1.0% in 20/21 and thereafter at 1.5% p.a., as well as increases to the precept of £10/4.59% in 20/21, and thereafter at 1.99% p.a. – an **increase in this funding of £25.7m/20.7%** p.a. by 24/25;
- Our **budget requirement is forecast to increase by £71.5m/23.2%** p.a. by 24/25, driven by factors such as:-
  - Inflationary adjustments to **officer and staff pay** of 3% p.a. – an increase in cost of **+£6.2m** in 20/21 rising to **+£37.5m** p.a. by 24/25;
  - Increases to our pensions costs to provide for current and anticipated future deficits in our staff and officer pension schemes, as well as inflationary increases for injury pensions – an increase in cost of **+£1.9m** in 20/21, increasing to **+£4.5m** by 24/25;
  - Inflationary increases to **non-pay costs** of 2.5% in 20/21 (3.5% for utilities/fuel costs, and 3.9% for NNDR), reducing to 2.0% (3.0% for utilities/fuel, and 3.9% for NNDR) thereafter - an increase in cost of **+£1.1m** in 20/21 rising to **+£5.1m** p.a. by 24/25;
  - Increases in our **cost of capital** investments, recognising both growth in direct revenue funding of capital spend as well as increased costs associated with future planned borrowing – an increase of **+£0.8m** in 20/21 rising to **+£1.3m** p.a. by 24/25;
  - **Investment and growth** across the Constabulary, predominantly focussed on realising the planned uplift in officer numbers as detailed above. Our total planned investments are forecast to cost **+£22.5m** in 20/21 rising to **+£38.3m** p.a. by 24/25;
  - Realisation of new revenue planned savings of **-£7.1m** p.a. (the majority of which [£6.7m] are achieved in our 20/21 budget), and further targeted savings of **-£2.0m** p.a. from 22/23.

The forecast position is not however without its challenges. Over five years our projections suggest that increases in our costs will outstrip our funding growth, requiring us to identify and realise further savings from 23/24 onwards. In total, we forecast at this stage that new savings of £4m will be required by 2024/25.

The improved settlement from Government comes with heightened expectations of the police service that it is able to demonstrate an ongoing commitment to transform itself. The realisation of an uplift in officer numbers that exceed our national targets is a key focus of our activity, but it is not the end of our plans. Other initiatives include:-

- New investment in the capacity of our investigations directorate, where we plan to invest a further **75 police staff investigators**, thereby liberating officers in our front line operational teams to be more proactive, intervening at the earliest point, to be more productive and to make even more of an impact in our communities;
- Extending the life of our **Operation Remedy** work focussed on proactively tackling drug crime, knife crime and burglary into 2020/21 – this will be supported by specific operational funding of £5.1m in 20/21;
- Realising revenue **planned savings of £7.1m** and identifying further opportunities for savings, which include continued delivery of procurement savings in support of national targets for policing;
- Funding a **permanent project delivery capacity** (removing the reliance on reserves to fund this) within the Constabulary, providing the capacity to support continued change throughout the MTFP.



Our continued transformation also requires capital investment. Investments in our **digital transformation**, as well as across our estates and fleet, require funding to implement. Capital funding is increasingly under pressure to provide for our ambition, at the same time as maintaining and replacing our existing asset base. These plans therefore make forward provision for uplift to capital funding, both in terms of direct revenue contributions and in the form of planned borrowing. Our plans present a residual capital funding shortfall of £7.8m at this stage of development. Identifying options to close this gap will remain an ongoing priority of our financial management and planning activities.

Our useable **reserve levels** stood at £38.7m at the end of March 2019, representing an increase of £2.7m/7.5% over the preceding 12 months. As we ring fence funds in support of our capital plans we expect these reserves to increase in the short-term, and then to reduce significantly over the medium term. By the end of March 2025 we forecast useable reserves will stand at £17.3m, representing the recurring prudent level beyond which we are unlikely to drop much further.

## Introduction

The context within which this MTFP has been prepared is one of renewed optimism for the financial outlook of policing. The additional funds, which are forecast within this plan, are being made at a time when we face increasingly complex challenges to keep communities, vulnerable victims and individuals safe, and tackle criminality, the impact of globalisation and extremism.

The opportunity to therefore support additional investment into policing, both in fulfilment of the Government's ambition to uplift officer numbers, and in support of our more local priorities, is a very welcome development after the **last 10 years of austerity during which time we have realised £83m/27.9% in savings**.

2020/21 will be a year of significant change within Avon & Somerset. We will:-

- Exceed the Government's uplift target of an extra 137 police officers by March 2021, by committing to **grow by 165 officers** over that time frame;
- Build upon the foundation of **Operation Remedy**, continuing to realise performance improvements and improved outcomes in relation to drug, burglary and knife related crime and offences;
- Invest the additional funds provided by a £10 (4.59%) increase in the council tax by permanently funding the **15 extra PCSO's** working with schools, and introducing **75 police staff investigators** to release capacity in frontline operations;
- Continue to embed our **Police Constable Degree Apprenticeship (PCDA)** programme in conjunction with our partners at the University of the West of England and introduce other entry routes into policing;
- Continue to **enhance our business intelligence and insights**, utilising our investment in our data science and analytics capabilities to enhance our insight into demand;
- Continue to strengthen and grow our **citizen in policing** offer, providing volunteering opportunities for the public;
- Develop opportunities presented by **Robotic Process Automation (RPA)**, unlocking the potential this creates to release capacity throughout the organisation and improve working lives for officers and staff;
- Deliver a wide range of **new digital capabilities** (e.g. e-recruitment, office 365) to support effective and efficient ways of working;
- Deliver a number of **estates projects** to provide modern, efficient and flexible buildings, including:-
  - Refurbishment of our Kenneth Steel House building in Bristol;
  - Completion of our new response base in Shepton Mallet;
  - Develop and commence plans for new police buildings in Yeovil, Bath, Wells and South Bristol.
- Continue our **investment in enhancing our leadership capabilities**, improving staff health and **wellbeing**, and furthering our ambition to increase the **diversity** of our workforce.

It is in this national and local context that this MTFP has been prepared.

## Revenue Funding

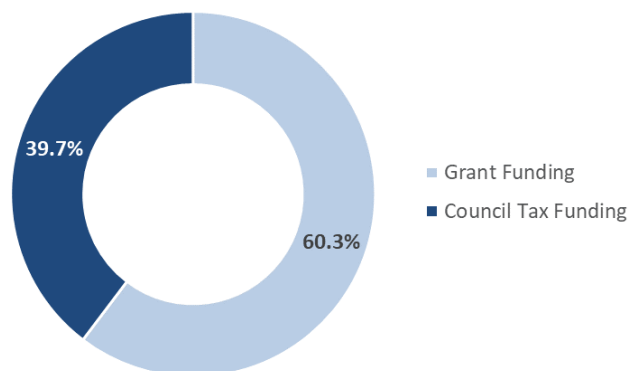
The PCC receives two main sources of funding:-

- Government grant funding; and
- Council tax funding.

Over the medium term we expect our total funding to see an **increase of £69.3m/22.6% by the 2024/25** financial year.

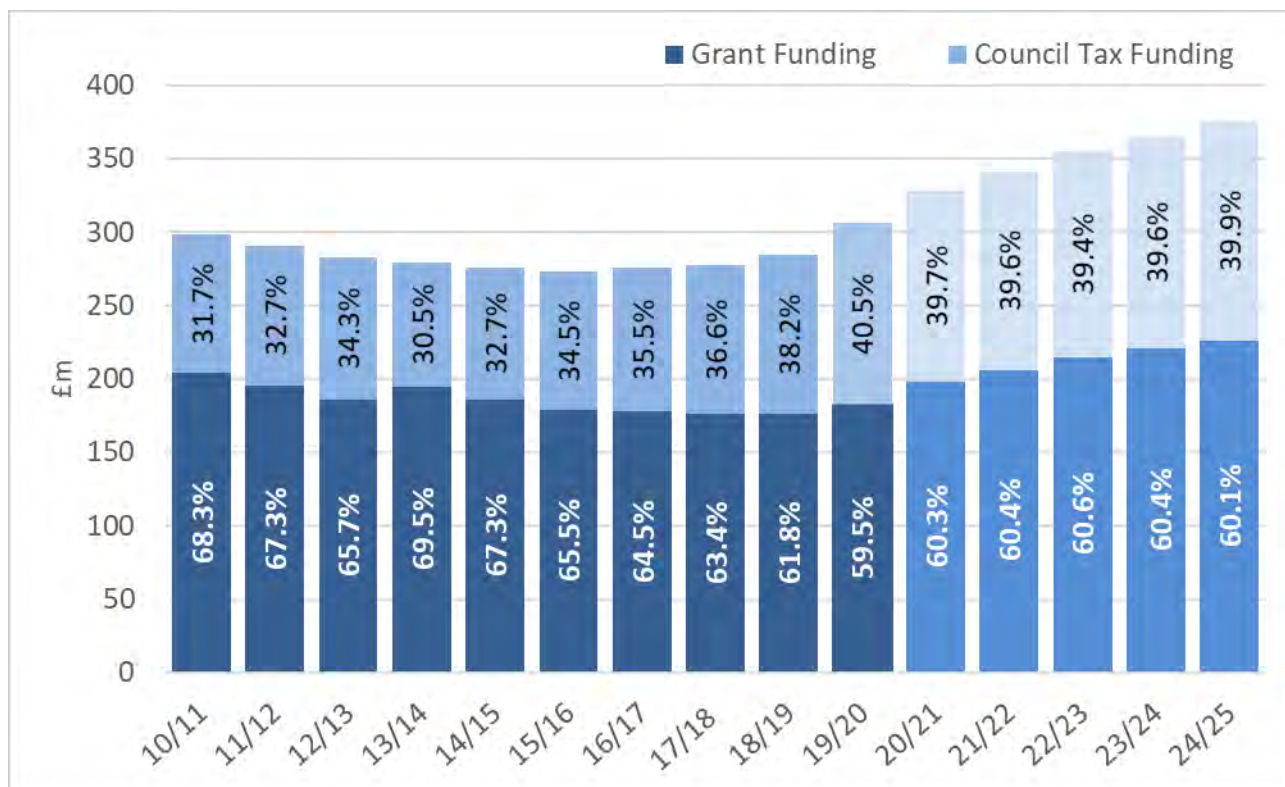
The profile of our funding between grant and council tax is forecast to remain relatively static over the course of the next 5 years.

Figure 1: 20/21 Profile of funding



	Actual	Forecast				
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
Grant funding	182,093	198,148	206,523	215,071	220,436	225,739
Council tax funding	124,181	130,303	135,147	139,886	144,792	149,871
<b>TOTAL funding</b>	<b>306,274</b>	<b>328,451</b>	<b>341,669</b>	<b>354,957</b>	<b>365,228</b>	<b>375,610</b>

Figure 2: Actual and forecast profile of total funding



## Grant Funding

The forecasts for our future grant funding focus on these areas:-

- Main grant funding;
- Officer uplift grant funding;
- Legacy council tax funding;
- Victims grant funding; and
- Pensions Grant.

There are other sources of grant funding (e.g. Counter Terrorism grant funding) but these are all passed straight through to the Chief Constable to support specific activity within the Constabulary.

	Actual	Forecast				
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
Main grant funding	162,598	174,768	183,540	192,043	200,898	206,202
Officer uplift grant funding	-	3,843	3,445	3,491	-	-
Legacy council tax funding	14,709	14,709	14,709	14,709	14,709	14,709
Victims grant funding	1,958	2,001	2,001	2,001	2,001	2,001
Pensions grant	2,828	2,828	2,828	2,828	2,828	2,828
<b>TOTAL grant funding</b>	<b>182,093</b>	<b>198,148</b>	<b>206,523</b>	<b>215,071</b>	<b>220,436</b>	<b>225,739</b>

- **Main grant funding** – The funding settlement announcements confirmed that this will increase in 20/21 by £12.1m/7.5%, and our assumptions thereafter forecast an increase of £43.6m/26.8% by 2024/25. The Government has indicated through briefings that the 2020/21 uplift is intended to support forces in making the relevant infrastructure improvements needed to recruit our share of the total uplift of the targeted 20,000 extra officers. Given this steer, we have assumed that increases in funding after 2020/21 are as a result of:-
  - Inflationary adjustments – We have assumed an annual increase to grant funding of 2.5%, reflecting the ongoing need for inflationary increases in this funding to keep pace as much as possible with increases to officer and staff pay. Our assumptions on pay (covered elsewhere) are an inflationary uplift of 3% p.a. and therefore this assumption brings about a small difference between increases to funding and increases to cost;
  - Consolidation of the Uplift grant – We have assumed that, as we achieve annual targets given to us by the Home Office for delivering our share of the national uplift, the ring-fenced in year grant will be consolidated into main grant funding. In so doing we have assumed that this will be incrementally increased to recognise both pay progression for new officer joiners, and pay inflation;
- **Officer uplift grant funding** – The funding settlement confirmed that it is the Government's intention to ring-fence funds for delivery of the uplift in officer numbers, and to pay this to forces quarterly in arrears as delivery of the officers and necessary infrastructure is evidenced. The initial amount ring-fenced for delivery of the national target of an extra 137 officers by 31<sup>st</sup> March 2021 is £3.843m. As outlined above we have assumed that this is consolidated into main grant funding in 2021/22, and will be replaced by a new amount reflective of the extra 116 officers we expect to have to uplift by in that year (taking our cumulative part of the national target to +253 officers).

Once this has been achieved we are likewise assuming that this will be consolidated into main grant, and replaced by a final uplift grant linked to the delivery of the remaining 115 extra officers (cumulative +368) that we will need to have achieved by March 2023. Once we have fully achieved this uplift we expect all of this grant to be consolidated into main grant funding.

**Legacy council tax grant funding** – This grant funding is analysed separately from the main grant funding, and is the combination of:-

- funding that is paid in recognition of historic council tax freezes (therefore only payable to those PCC's who froze council tax in relevant years); and
- funding which reflects the abolition of council tax benefit and the replacement of this with local council tax discount schemes (payable to all PCCs to replace funds previously paid through as council tax income).

The confirmed 2020/21 value of this funding is £14.7m, reflecting a continued freeze of this funding at historic levels. We have assumed this continues to remain frozen for the duration of the MTFP.

**Victims grant funding** – This grant is awarded to PCCs annually from the Ministry of Justice to support the commissioning of victims services, including a pass through of funds to the Chief Constable to support the Lighthouse Safeguarding Unit, with the remainder retained by the PCC to support the commissioning of wider victims' services. This funding had remained substantially frozen since it was introduced 2015/16. We have received notification for 20/21 of a small uplift of £43k but continued to assume no further increases across the MTFP period.

**Police Pensions Grant (£2.8m)** - this was introduced in 19/20 to help forces manage the large increase in employer contributions for police pensions resulting from the 2018 valuation exercise. The continuation of this grant funding was confirmed in the 2020/21 settlement, and is now **forecast to continue for the duration of the MTFP** as a separate grant frozen at 19/20 values.

## Council Tax Funding

The value of council tax income received in any one year is determined by three key factors:-

- The value of the **precept** set by the Police and Crime Commissioner;
- The **tax base** (no. and profile of properties) from which council tax will be collected;
- Effectiveness of collection in previous year generating **surplus or deficit on the collection fund**.

	Actual	Forecast				
	19/20	20/21	21/22	22/23	23/24	24/25
Precept (£p)	£217.81p	£227.81p	£232.34p	£236.97p	£241.68p	£246.69p
Tax base (No.)	<b>565,063</b>	<b>570,951</b>	<b>579,515</b>	<b>588,208</b>	<b>597,031</b>	<b>605,987</b>
<b>Precept Income (£'000)</b>	<b>123,076</b>	<b>130,068</b>	<b>134,647</b>	<b>139,386</b>	<b>144,292</b>	<b>149,371</b>
Surplus/(Deficit) (£'000)	1,104	235	500	500	500	500
<b>Total Council Tax (£'000)</b>	<b>124,181</b>	<b>130,303</b>	<b>135,147</b>	<b>139,886</b>	<b>144,792</b>	<b>149,871</b>

As a result of the assumptions, we are making across these three factors we forecast that our **council tax funding will increase by £25.7m/20.7% over the next five years**.

**Precept** – The value of the precept is defined by the rate applicable to an average Band D property. Currently Avon & Somerset have the median average Band D precept value of all PCCs across England and Wales - £217.81.

In 19/20, the PCC approved average annual increases to the precept of £24 per household. This decision was reached in light of all the considerations outlined below, and reflected the PCC's continued desire to protect Neighbourhood Policing, and provide the Chief Constable with the maximum possible funds to help deliver the police and crime plan.

In considering the level of precept to set for 2020/21 the PCC has made consideration of:-

- The views of the public, as expressed to her through a range of ongoing public engagement activity, which continues to show a majority in favour of increases to the precept in support of policing;
- The views of the Chief Constable, who has expressed his opinion in writing to the PCC;
- The views of the Police and Crime Panel, who have a power of veto over the precept proposal; and
- The Governments council tax referendum principles, which establish the level above which a local referendum must be held in order to approve a proposed increase to the value of the precept.

The funding settlement announcements made by the Government confirmed the referendum principles for consideration when setting the precept in 2020/21.

*"We propose to empower PCCs to increase their Band D precept by up to £10 in 2020/21 without the need to call for a local referendum, the equivalent of less than twenty pence per week. If all PCCs decide to maximise their flexibility, this would result in up to an additional £248 million of funding for local policing next year. It is for locally accountable PCCs to take decisions on local precept and explain to their electorate how this additional investment will help deliver a better police service."*<sup>1</sup>

<sup>1</sup> <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2020-01-22/HCVS51/>

After due consideration this plan has been drafted on basis that **the PCC will make full use of the flexibility afforded to her by the Government, with an increase of £10 to the average Band D policing precept in 2020/21**. Thereafter we have reverted to annual increases of 1.99%:-

	Actual	Forecast				
	19/20 £p	20/21 £p	21/22 £p	22/23 £p	23/24 £p	24/25 £p
Av. Band D Precept	£217.81	£227.81p	£232.34p	£236.97p	£241.68p	£246.69p
Annual Increase %		+4.59%	+1.99%	+1.99%	+1.99%	+1.99%
Annual Increase £p		+£10.00	+£4.53	+£4.62	+£4.72	+£4.81

**Tax base** – This is the number of properties against which tax can be collected, expressed as a weighted average at Band D, and adjusted for a collection rate. In our area we have eight billing authorities and we have to collate this information from them all. There are a number of factors which can affect the growth of this figure, with volume of new house building being the single biggest factor.

We have seen strong growth in our local tax base over recent years. In 2019/20 our tax base stood at 565,063, after growth of 1.63% compared to the previous year. Whilst this trend continues in some parts of our area, we note that in two billing authority areas there is a reduction in tax base compared to last year – recognising the challenges and pressures all billing authorities are under when trying to accurately forecast. The confirmed tax base for 2020/21 is an increase of just over 1.0%:-

	19/20 No.	20/21 No.	Change No.	Change %
Bath & North East Somerset	65,688	66,880	+1,192	+1.8%
Bristol	126,999	128,566	+1,567	+1.2%
North Somerset	79,372	79,185	-187	-0.2%
South Gloucestershire	94,611	96,745	+2,134	+2.3%
<b>Unitary ("Avon") authorities</b>	<b>366,669</b>	<b>371,376</b>	<b>+4,706</b>	<b>+1.3%</b>
Mendip DC	40,496	40,979	+483	+1.2%
Sedgemoor DC	41,009	41,436	+427	+1.0%
South Somerset DC	60,266	60,711	+445	+0.7%
West Somerset & Taunton	56,623	56,450	-173	-0.3%
<b>District ("Somerset") authorities</b>	<b>198,394</b>	<b>199,575</b>	<b>+1,181</b>	<b>+0.6%</b>
<b>TOTAL Tax Base</b>	<b>565,063</b>	<b>570,951</b>	<b>+5,887</b>	<b>+1.0%</b>

As the above table shows, we are forecasting to see some variation in growth across our billing authorities. The forecasted position estimates a 2.3% increase in South Gloucestershire, compared with a 0.3% decrease in West Somerset & Taunton. The estimated growth in 2020/21 is lower than experienced last year, but having reviewed the assumptions individual councils are making for future growth in the tax base we remain confident in retaining the assumption of 1.5% p.a. increases for the remainder of the MTFP period.

**Collection fund surplus or deficit** – This represents our share of any surplus or deficit on the collection fund as calculated by our eight collecting authorities. Historically, all of our local collecting authorities have generated a sizeable surplus.

However, the indication from our billing authorities is that maintaining this level of surplus is proving to be a challenge. The final collection fund surpluses or deficits will not be finally confirmed until February 2020 however, current forecasts from our authorities demonstrates a range from a deficit of £249k to a surplus of £201k. Overall, we expect the final **2020/21 position to be a small surplus of £235k.**

Predicting with any accuracy the collection fund surplus or deficit figure has proven to be particularly difficult. There are no particular trends, with wide ranging fluctuations from one year to the next. For the purposes of planning beyond 2020/21 we are assuming **that our share will average out at £0.5m p.a. over the medium term**, reflecting a lower than average position seen over the past decade.



## The Revenue budget requirement

The budget requirement accounts for how the PCC will commit expenditure that enables the provision of policing and community safety across Avon & Somerset.

### Budget Requirement (before savings)

	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
PCC's Office budget requirement	1,528	1,574	1,622	1,670	1,719
PCC's Commissioning budget requirement	3,488	3,488	3,488	3,488	3,488
Chief Constables budget requirement	330,149	344,587	358,911	371,632	383,465
<b>TOTAL budget requirement</b>	<b>335,165</b>	<b>349,649</b>	<b>364,020</b>	<b>376,789</b>	<b>388,672</b>

### PCC's Office budget requirement

This budget reflects the costs of the PCC and her immediate office that enables and supports the fulfilment of the full range of duties of the Police and Crime Commissioner.

	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
20/21 Base budget	1,417	1,417	1,417	1,417	1,417
Inflation	28	74	121	170	219
Savings	-5	-5	-5	-5	-5
Growth	108	108	108	108	108
Adjustment ( <i>trf of post from OPCC to Force</i> )	-19	-19	-19	-19	-19
<b>OPCC Budget Requirement</b>	<b>1,528</b>	<b>1,574</b>	<b>1,622</b>	<b>1,670</b>	<b>1,719</b>

**20/21 Base Budget** – This budget supports the PCC, and a team of 20.4 FTE (Full Time Equivalent) staff who support the PCC in the range of activities undertaken in the fulfilment of their statutory duties. The £108k growth covers some regrading of senior roles and 2 additional staff, namely a new commissioning and policy officer focused on tackling violent crime with partners and a commissioning support officer.

**Pay and inflationary adjustments** – Applying the same assumptions to the OPCC budgets as those used for the Chief Constables budgets (see below for more detail) identifies an inflationary pressure over the MTFP period. This predominantly relates to increased costs for both pay and non-pay items.

### PCC's commissioning budget requirement

This budget supports the commissioning of services from external organisations.

	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
19/20 Base budget	3,445	3,445	3,445	3,445	3,445
Increase in Ministry of Justice funding	43	43	43	43	43
<b>Annual budget requirement</b>	<b>3,488</b>	<b>3,488</b>	<b>3,488</b>	<b>3,488</b>	<b>3,488</b>

We have assumed no change in the Commissioning budgets after the minimal 20/21 uplift, which is funded by the confirmed increase in Ministry of Justice funding for commissioning of victims services.

This budget is used by the PCC to commission core services across the following areas:-

	2020/21 £'000
Drug and alcohol referral services	553
Victims services (inc SARC, but excl those within Constabulary)	1,738
Appropriate adult services	52
Mental health triage service in A&S call centre	159
Restorative justice services	179
Police & Crime Grants (community safety & YOT)	787
Police and crime grants for community safety and other 3 <sup>rd</sup> party work	20
<b>TOTAL</b>	<b>3,488</b>

The commissioning budget provisions for victims' services commissioned from organisations other than the Constabulary. The funding provided to the Chief Constable for the provision of the Lighthouse victims services (£906k - 2020/21), is accounted for within the Chief Constables budget requirement set out below.

### Chief Constable's budget requirement

This budget reflects the majority of the overall budget requirement, providing funds to support the Chief Constable and the Constabulary in the provision of policing to the communities of Avon & Somerset.

	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
Original 20/21 Base budget	301,420	301,420	301,420	301,420	301,420
In-Year Adjustments to budget	+1,833	+1,833	+1,833	+1,833	+1,833
<b>Restated 19/20 Base budget</b>	<b>303,253</b>	<b>303,253</b>	<b>303,253</b>	<b>303,253</b>	<b>303,253</b>
Pay & staffing adjustments	+2,825	+10,047	+16,302	+26,659	+35,738
Non-pay inflationary adjustments	+804	+1,807	+2,787	+3,791	+4,819
Cost of capital adjustments	+765	+1,140	+1,363	+1,358	+1,324
Growth and commitments	+22,502	+27,915	+34,424	+36,506	+38,372
<b>Cumulative increase in costs</b>	<b>+26,896</b>	<b>+41,334</b>	<b>+55,658</b>	<b>+68,379</b>	<b>+80,212</b>
<b>Budget requirement (before savings)</b>	<b>330,149</b>	<b>344,587</b>	<b>358,911</b>	<b>371,632</b>	<b>383,465</b>

This base budget makes provision to increase our establishment, which at end of March 2021 will be:-

Budgeted Establishment	Core Funded FTE	External Funding FTE	Collaboration FTE	TOTAL FTE
Police Officers	2,694	86	132	2,912
Police Community Support Officers	344	6	-	350
Police Staff	2,087	114	378	2,579
<b>TOTAL Budgeted establishment</b>	<b>5,125</b>	<b>206</b>	<b>510</b>	<b>5,841</b>

**Pay & staffing adjustments** – Pay and employee related costs are the single biggest area of spend for the Constabulary, representing nearly 80% of our total costs. It should therefore be expected that this is where we forecast the biggest change to our costs over the MTFP period.

- **Pay Awards** – Our budget projections must make provision for annual increases to pay, in line with anticipated future pay awards. The 2019 pay award was agreed at 2.5% reflecting the ongoing relaxation of the restrictions placed on pay increases for police officers and staff. In light of this the estimated pay award for both officers and staff has been changed to 3.0% across each year of the MTFP. Our forecasts have been updated to reflect this:-

Annual pay uplift (w/e 1st September)	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
Annual % uplift	+3.0%	+3.0%	+3.0%	+3.0%	+3.0%
Officers cumulative pay uplift	+4,425	+8,792	+13,383	+18,112	+22,983
Staff cumulative pay uplift	+1,764	+5,177	+8,207	+11,328	+14,542
<b>TOTAL cumulative pay uplift</b>	<b>+6,189</b>	<b>+13,969</b>	<b>+21,590</b>	<b>+29,440</b>	<b>+37,525</b>

The result of these assumptions is that our costs will increase by £37.5m p.a. by 2024/25 – making this the single biggest increase in our costs recognised in this MTFP.

- **Change to officer and staff unit cost** – We have reviewed the current profile of officers and staff against the budgeted pay cost (adjusting for average where there are vacancies), and in so doing we recognise that in many areas the actual unit cost per officer/staff is less than in the budget. This is the consequence of the turnover of officers and staff, and reflects the profile of individuals within the pay scales. This issue is especially relevant in Patrol where student officers at the bottom of the pay scales are replacing longer serving officers towards the top end of their pay scales. The result of this analysis is that we are able to reduce our unit cost in most areas of our pay, resulting in a reduction to our pay budgets in 20/21 of £5.2m p.a. We anticipate that this situation will continue across the MTFP, with a further £2m reduction to pay budgets by 2022/23, after which we expect the position to begin to reverse as the recruitment of officers slows and we move into a period of maintaining our officer establishment at its new increased level.
- **Police Officer Pension costs** – Our base budget was increased in 2019/20 to reflect the uplift in costs resulting from the Police Officer pension actuarial valuation undertaken. We expect a further valuation to occur before the end of the MTFP, and in light of ongoing pressures relating to pensions we are forecasting an increase in cost of £1m p.a. with effect from the 2023/24 financial year;
- **Local Government Pension Scheme (LGPS) costs** – Our contributions to the pension scheme for police staff were the subject of an actuarial valuation in the 19/20 financial year. The result was a 3.1% (13.2% - 16.3%) increase in our employer contributions, offset by a slight reduction in our in lump sum deficit recovery funding. These changes resulted in a £1.4.m increase in costs for 20/21 rising to £2.2m over the course of the 5 years as we include provision for further uplifts in expectation that the further valuation planned in 2022 will again result in an increase to our costs;
- **Other Pensions costs** – We have made provision for continued incremental growth in the number of officers retiring with an injury on duty award, as well as inflationary provisions for the costs of those pensioners already in receipt of such awards. These costs are forecast to add £1.2m over the course of the MTFP period;

- **Overtime adjustments** – An annual adjustment is made to the budget to reflect the number of bank holidays that fall within any one particular financial year. Owing to the date on which Easter falls each year as well as whether Christmas falls on a weekend, this can vary from one year to the next (e.g. 19/20 has 8 bank holidays, whereas 2021/22 has 11 bank holidays);
- **Housing allowance and comp grant adjustments** – Adjustment is made to our budget to reflect the forecast reduction in officers who continue to receive housing allowance and comp grant. We expect to reduce budgets by nearly £0.6m over the course of the MTFP period in recognition of this.

**Non-pay inflationary adjustments** – During a period of budgetary restraint we restricted the inflationary uplift made to non-pay budgets. We were able to manage this through a combination of low inflation and strong financial and budgetary control throughout the organisation. However, this is not sustainable in the long-term, particularly as wider economic factors have the potential to create pressures here.

In light of this, we have adjusted our assumptions for the future:-

- **General Non-Pay** – we have assumed an annual uplift in our non-pay costs of 2.5% p.a. in 2020/21, reducing to 2.0% p.a. in each year thereafter. These assumptions add £3.5m p.a. onto our current budgets by 2024/25;
- **Utilities and Fuel** – we have assumed an annual uplift in our utilities and fuel costs of 3.5% p.a. in 2020/21, reducing to 3.0% p.a. in each year thereafter. These assumptions add £1.5m p.a. onto our current budgets by 2024/25;

We have also made assumptions here about our **interest and investment income**, which we forecast to increase by £0.25m in 2020/21 in line with current performance. We expect to maintain this position across the entirety of the MTFP period.

**Cost of capital adjustments** – It is necessary for us to recognise increases to our revenue funding for capital investment over the life of the MTFP. Our ability to continue to afford future capital investment is dependent on us having sufficient capital funds available. Since 2010 we have seen substantial reductions in the value of our capital grant funding from the Home Office, with total capital grant standing at just over £1.0m in 2019/20 after nearly 80% reductions on the capital grant received a decade earlier. The funding settlement announced a further 75% reduction to this in 2020/21, with a confirmed grant to us of just £0.27m.

To date we have been able to minimise the impact of this reduction on our capital investment through the generation of capital receipts and the use of reserves. However, this is not a sustainable basis on which to support future capital replacement and investment. This means that our forward plans make provision for further increases to our revenue cost of capital.

There are two key assumptions that affect the amount by which this part of our budget needs to change:-

- **Borrowing** - The level and use of borrowing we undertake to support capital investment. Over the MTFP we forecast we will need to borrow a further £12.3m, with £6.3m borrowed in 19/20, £5.0m expected to be taken during 20/21, a further £1m by the end of the 21/22 financial year. The timing of this reflects current assumptions around our capital programme, and will be subject to ongoing review and reflection.

The cost of borrowing has an impact on our revenue budget in two ways:-

- Interest Payable – At present we are paying an average interest rate of 4.1% on c. £39.8m worth of borrowings. We know that current borrowing rates (dependent on term of the borrowing) are better than this average rate, and therefore we are assuming any new

borrowing will attract interest at a rate of 3.0%. We are also assuming that we will look to take new borrowing close to the end of the financial year, thereby only requiring us to provision for the cost of this fully in the following financial year. These assumptions, coupled with the ongoing payment of existing borrowing, mean we will **increase our interest payable costs by £162k p.a. by 2024/25**.

- Minimum Revenue Provision – It is necessary for us to make provision for the repayment of our borrowing against our revenue budget. Our method of calculating the value of the provision is determined by the life of the asset that is being funded by the borrowing. This means we try and use our borrowing over longer-life assets (e.g. buildings) where possible, as the annual cost is minimised. Our assumption for the new borrowing is that the majority of this will be used over longer-life assets, **increasing our MRP budget by £742k p.a. by 2024/25**.

- **Direct revenue funding of capital investment** – We recognise the challenges around our medium term capital affordability (see section below), and the reductions to our home office capital grant funding confirmed in the settlement announcements. Our plan makes provision to increase our revenue funding for capital, resulting in a recurring annual contribution of £7m in each year of the MTFP. This provides a more sustainable basis on which to make our forward capital plans.

**Growth and Commitment adjustments** – In setting our budget it is necessary to recognise any growth or unavoidable commitments and capture the impact of these on our budgets.

- **New growth and investments** – Over the course of the MTFP we have recognised £34.7m in new growth and investments:-

	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
Futures Programme - officer uplift	8,221	13,449	19,513	20,716	21,879
Schools PCSO's – precept funding	510	525	541	557	574
Investigative capacity growth – precept funding	2,725	2,807	2,891	2,978	3,067
Operation remedy	1,667	1,667	1,667	1,667	1,667
Approved local business case growth	3,478	3,508	3,268	3,268	3,268
Funding change delivery capacity	1,279	1,279	1,279	1,279	1,279
Other budgetary pressures identified	3,003	3,055	3,039	3,021	2,977
<b>TOTAL Growth and Investments</b>	<b>20,883</b>	<b>26,291</b>	<b>32,198</b>	<b>33,486</b>	<b>34,711</b>

- Futures Programme – this growth relates to all forecast costs associated with the uplift in officer numbers. This includes the full cost of the officer uplift (403 FTE), incorporating both the anticipated increase required of us as part of the governments uplift target (368 FTE), plus the additional officers (35 FTE) added to this as part of our local commitment. In addition it provisions for identified costs to both deliver and sustain the increase in officer numbers;
- Schools PCSO's – this growth, funded by the £10 increase in precept, enables us to permanently fund the 15 PCSO's that were introduced with the 2019/20 serious violence surge funding. These dedicated PCSOs have been able to build dedicated links with schools, providing a service that supports schools particularly in enabling early signposting to the right support networks to prevent criminalisation and exploitation of young people;
- Investigative capacity – this growth, funded by the £10 increase in precept, builds upon existing plans (see below) to create more capacity in our investigative directorate. The growth funds an

additional 75 police staff investigator posts. This increase in our investigative capacity is planned to liberate front line operational teams and specialist investigative teams to be more proactive, intervening at the earliest point and to be more productive and to make even more of an impact in our communities;

- Operation Remedy – this represents the growth required to fund the rank and experienced profile of officers within our Operational Remedy posts. These 100 officer posts were created from the precept increase in 2019/20. At the time, these posts were funded at a PC entry grade level. However, as the posts have been filled we have seen a more experienced profile of officers towards the top of their pay scales fill these posts. This growth therefore establishes a budget which reflects this profile, as well as continuing to provide a £0.3m operational fund to support specific costs of operations;
- Approved business case growth – this covers items already approved through the Constabulary and (where required) PCC Boards. Areas of growth include:-
  - Police Staff Investigators (+£671k) – in light of pressures within our investigations department, and in acknowledgement of the lead time for filling detective vacancies, Chief Officers agreed to fund an initial uplift of 20 police staff investigators during 2019. These posts have been recruited to, and are being filled. They provide a base on which we intend to grow further with the support of the additional precept funding (see above);
  - Custody (+£367k) – in recognition of some of the acute pressures in the Constabulary, Chief Officers approved growth in detention officers and supported the creation of a voluntary attendance team embedded within custody;
  - Tactical Support Team (+£298k) – following review of this recently returned function, Chief Officers agreed to growth to ensure the sustainability of the specialist capabilities provided by this team;
  - Data Science and Innovation Centre (+£260k) – building on the transformation funded programme around our analytics capability, Chief Officers approved investment in our capabilities here recognising the opportunity this presents;
  - Outreach workers (+£241k) – in support of our diversity and inclusion ambitions, and in furtherance of the uplift in officer numbers, approval was given for the introduction of 7 outreach workers to develop over a two year programme our attraction and recruitment reach into those communities we have historically been under-represented in;
  - Citizens in Policing (+£238k) – supporting the ambitions to increase our numbers of specials and volunteers, approval was given for growth in our citizens in policing capability – building on the successes seen in other forces;
  - Tasers (+£238k) – after careful consideration and consultation, approval was given for an uplift in the number of Taser carrying officers across Avon and Somerset. This growth supports the ongoing training and equipment costs associated with this uplift;

In addition there are a number of smaller initiatives included here, such as investment in our e-recruitment capabilities, our skills management systems, enhancing our capacity in key functions such as vetting and fleet services.

- Funding change delivery capacity – The Constabulary has invested in its change delivery function over the past 10 years, recognising the need for a capacity to support its continued transformation and achievement of savings. Until now this has been funded through core central team, supplemented by additional resources funded from reserves. We recognise that

this is no longer a sustainable model, and accordingly this plan provisions for all of these resources to be permanently funded from within recurring core budget;

- Other budgetary pressures identified – through our budget setting process, we review all areas of the budget in conjunction with budget holders. Through this, we have identified a number of pressures that this plan seeks to address. These include:-
  - Estates – Repairs and Maintenance (+£798k) – during the past 10 years we have incrementally reduced our repairs and maintenance budgets as a means of achieving the savings required of us to balance our revenue budget. This has led to a situation where our repairs programme has become almost exclusively reactive in focus, and is increasingly becoming consumed by larger repair work (e.g. roof leaks). Having reviewed this position in light of our recent condition surveys, we have set aside funds to enable our plans to become more proactive in focus, thereby redressing the balance between planned and reactive and ensuring we have an estate which is fit for purpose;
  - Overtime (+£398k) our plans incorporate uplift to overtime budgets to reflect increased bank holiday working in our neighbourhood teams, as well as anticipated pressures resulting from the experience of officers during a period of uplift;
  - Income (+£282k) our ability to generate income through the provision of training to other forces is forecast to significantly reduce as we focus the capacity of our training school onto our own local needs;
  - Rents, Landlord Service Charges and Hire of Accommodation (+£255k) – budget plans here include for revenue costs associated with new rented accommodation, including our Taunton Police Station (co-location with West Somerset and Taunton Council) and our new leasehold Shepton Mallet response base;
  - Equipment (+£201k) – increases in budget to support increased licences costs in particular associated with CCTV and surveillance capabilities.
- **Uplifts to regional and national collaborations** – Our plan provisions for ongoing increases in costs of our regional collaborations (as these collective budgets are increased for inflation in the same way as our own plans), as well as for the costs of national collaborations:-
  - National Management Centre – this is part of the national enabling programme across policing, and will provide 24/7 monitoring of the police services IT networks. The cost of this service (£254k) is expected to be charged from the 2020/21 financial year;
  - Police Commercial Organisation and Transforming Forensics Programme – the cost of these newly created bodies are expected to be funded centrally for the next three years, after which we have assumed that individual forces will be expected to fund them under a subscription model. The cost of this (£300k) has been built in with effect from the 2023/24 financial year;
- **Unavoidable commitments** – During 2019 we have approved the creation of a centre of excellence for Robotic Process Automation (RPA) within our IT Directorate. This has been approved as a three year pilot to develop our capabilities and prove the value of this area of development. We recognise the huge potential offered by this, and therefore this plan builds in the necessary funds to support this initial programme.

## Revenue savings requirement and plans

### Savings requirement

After having made all of the assumptions around both funding and pay outlined above, we can establish the following overall position:-

	Forecast				
	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
Total Funding Forecast	328,451	341,669	354,957	365,228	375,610
Less; PCC's Office budget	1,528	1,574	1,622	1,670	1,719
Less; PCC's Commissioning budget	3,488	3,488	3,488	3,488	3,488
<b>Funding left to support Chief Constable</b>	<b>323,435</b>	<b>336,607</b>	<b>349,847</b>	<b>360,070</b>	<b>370,403</b>
Less; Chief Constable budget requirement	330,149	344,587	358,911	371,632	383,465
<b>Standstill Deficit</b>	<b>6,714</b>	<b>7,980</b>	<b>9,062</b>	<b>11,562</b>	<b>13,062</b>

Against this the Constabulary has identified initial savings that enable it to balance the budget in 2020/21. With the addition of a further savings target of £1m in 2021/22 rising to £2m by 2022/23, it is also able to balance the budget for the first three years of the plan:

	Forecast				
	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
<b>Standstill Deficit</b>	<b>6,714</b>	<b>7,980</b>	<b>9,062</b>	<b>11,562</b>	<b>13,062</b>
Savings realised through budget build	(5,438)	(5,838)	(5,838)	(5,838)	(5,838)
Enabling Services / Infrastructure	(797)	(797)	(797)	(797)	(797)
Intelligence & Tasking Review	(98)	(98)	(98)	(98)	(98)
Operational Services Savings	(138)	(138)	(138)	(138)	(138)
NPAS reductions	(243)	(108)	(190)	(190)	(190)
New savings to be identified	-	(1,000)	(2,000)	(2,000)	(2,000)
<b>Revised Deficit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>4,000</b>

As the above table demonstrates those planned savings, supplemented by an additional £2m targeted savings, enable us to balance our revenue budget for the next three years. Thereafter there is a **deficit of c. £2.5m in 2023/24 rising to c. £4.0m in 2024/25** forecast.

Beyond our immediate savings plans we recognise that there will be further opportunities to improve efficiency and realise savings, providing potential for us to close this gap. These include:-

- Realising the efficiencies offered through our digital mobilisation work – quantifying the efficiency and productivity gains achieved through this;
- Introducing greater automation and digitalisation across some of our operational processes, building on the opportunities presented through upgrades to existing applications (e.g. NICHE) and



on those presented through national programmes and initiatives (e.g. National Enabling Programme);

- Ongoing procurement savings which may enable us to avoid some of the forecast uplift in costs through commercial or collaborative deals struck.

Some of the above will represent savings which we would want to deliver, whereas others reflect productivity gains that we would initially look to generate improvements in our performance. Our financial projections suggest we have time in which to focus our energy and efforts on delivering the outcomes the public expects of us, proving that better financial settlements can deliver better public outcomes. Thereafter, if our financial outlook requires it then we will be able to consider where best our savings are achieved in a way which limits the impact on those performance improvements we're targeting.

## Delivering Transformation

Avon & Somerset is committed to continuous improvement. We recognise that we must continue to transform in order to ensure that we are able to provide the best possible service to the public at the best possible value. The principle of continuous improvement underpins all of our planning, with individuals departments required to produce annual delivery plan, which are consolidated into our overall Constabulary delivery plan through which we intend to realise our strategic objectives and the priorities of the Police and Crime plan.

We are delivering improvements in efficiency and effectiveness across the organisation, including:

- Transformative changes to ways of working building on the completion of the Mobilisation Project releasing productivity and performance improvements;
- Comprehensive reviews of end to end demand to understand the future shape of the Constabulary so that maximum gains from Police Officer uplift can be realised;
- The continued modernisation of the Constabulary estate on a site by site basis making use of a mixed economy of infrastructure solutions;
- Embedding a new Strategic Framework that provides cohesive structures to link organisational strategy to focussed operational delivery;
- Investing in our staff to ensure business improvement activity is managed in line with industry standards and best practice.

We recognise that we will continue to frame this activity as part of larger scale Constabulary Change Programmes. The scale of this work reflects the continued transformation ambition we have in Avon & Somerset and this requires a clear framework through which our change activity can be resourced and delivered.

In recognition of the ongoing scale of the portfolio a permanent budget has been built in to fund the Transformation Department. The new structure has been designed to support the current change programme although additional resource may still be required in support of specific projects. This will need to be considered and continually reviewed.

## Capital Programme and Funding

Our Medium Term Financial Plan recognises the importance and complexity of capital planning, and how integral this is in the context of our wider financial planning. The section sets out the context and framework within which our capital plans have been prepared, and in so doing fulfils the requirements of a capital strategy as introduced in the revised CIPFA Prudential code.

Our assets are essential to the provision of an effective policing service. In order to sustain this service, and meet the objectives and ambitions set out in the Police and Crime Plan it is important that we set out how we intend to maintain and develop our assets, identifying investments we plan to make. These are required to both support the refresh of our existing assets and infrastructure, as well as to invest in new transformative initiatives which will help us to realise improvements in our operational efficiency and effectiveness.

Our capital plans are, by their nature, complex and require detailed planning and forecasting. This requires support and understanding of colleagues across the organisation. It also requires a large degree of wider environmental scanning in order to assess the impact of national projects and initiatives which will require our support to implement locally.

Our funding position is also complicated, relying on multiple sources of funding in order to be able to support planned expenditure. Forecasting our funding is therefore based on a large number of assumptions and inter-dependencies which are subject to ongoing change both in value and timing.

### Developing our Capital Programme

Our assets are integral to the delivery of efficient policing services. Maintaining the optimum use of resources whilst securing best value in relation to both cost and quality are key considerations. This is done by following best practice in relation to procurement, sales and construction, taking external legal and professional advice where required.

Our assets fall into four broad categories:-

- Our buildings – all buildings are owned by the PCC, and the PCC's office retain responsibility for key decisions around the purchase and disposal of buildings, maintaining close oversight of our estate management and planning in order to fulfil this role. The day to day management of the estate is undertaken by the Constabulary's estates department, within our Finance and Business Services directorate;
- Our information and communication technology – all ICT assets are managed and maintained through our IT Directorate. Forward planning of these assets is informed by considerations of longevity and optimum replacement cycle. This enables effective planning of renewal and replacement activity to be considered alongside new transformative initiatives and projects, either local or national, that may see the type and nature of our assets continue to change;
- Our fleet – all vehicles are maintained through our transport services department within our Finance and Business Services directorate. All fleet assets are maintained and managed through our fleet management system, which provides information that enables effective optimisation of the usage of our fleet as well as planning around replacement activity;
- Our capital equipment – This will include equipment in use across the organisation, where the responsibility for its management and maintenance rests with the responsible department of the Constabulary.

Our capital programme is developed to consider all requirements for maintenance and investment across these categories of assets. The programme produced therefore is reflective of a mixture of:-

- Asset replacement and renewal – recognising the optimum operating life for our assets, and where necessary, ensuring our plans provision for the replacement of them;
- New initiatives and projects – recognising our new investments in order to realise the priorities of the Police and Crime Plan and meet the objectives of the Constabulary.

The programme is developed jointly between the PCC and the Constabulary, and is realised through wide stakeholder engagement. The finalised programme reflects a list of anticipated and recommended projects that enables high level planning across a medium term horizon. The programme, and the approval of it through the medium term financial plan, reflects approval for the next 12 months replacement and renewal activity, but recognises individual business cases are still required to progress new initiatives and projects.

These business cases, all of which will be approved in accordance with the PCC's scheme of governance, will be delivered using a prescribed format, and will cover:-

- Clear definition of the objectives of the proposal;
- Baseline assessment of the “as is” position, and how this compares with user specifications and force standards;
- Consideration, assessment and appraisal of possible options – including alternative ways of procuring assets (e.g. leasing, partnership arrangements) where these are viable options;
- Financial appraisal of the options, to include identification of capital funding source and consideration of whole life costs and ongoing impact on revenue budgets;
- Risk appraisal, enabling decision makers to reach a decision informed by a clear understanding of the risk and allowing these to be clearly included on risk registers for management as appropriate;

The delivery of capital projects will be overseen either by the department responsible, or in the case of larger projects, through our change programme boards. In monitoring the delivery of our capital projects particular focus is placed on:-

- Delivery is on time and achievement of the intended outcome/s;
- The overall use of capital and revenue funding is as close as possible to original plans; and
- When the above factors are not achieved, variations are reported appropriately.

Progress against the capital programme, including considerations of capital financing, is reported quarterly to our Constabulary Management Board and the Police and Crime Board.

Upon completion of a capital project, consideration will be given to the use of a Post Implementation Review (PIR). This review will provide a check against the performance compared to the original proposal. It will focus on the outcomes achieved, the extent to which the benefits claimed are being realised, and the actual costs both revenue and capital. Through the use of these types of review we would look to capture learning that can inform our future projects and programmes for the better.

The table below summarises the current capital forecast and our forward 5 year capital plan:-

	Current	MTFP					TOTAL £'000
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000	
Capital Expenditure	15,024	19,887	14,702	15,931	20,518	7,369	93,431
Less; Capital Funding	15,024	19,887	14,702	15,931	12,675	7,369	85,589
<b>Deficit</b>	-	-	-	-	<b>7,843</b>	-	<b>7,843</b>

## Capital Expenditure

Whilst we recognise that our plans will continue to be refined, particularly where they relate to national ICT projects where we await further detailed information, we have an emerging picture which identifies that the current year (19/20) of capital spend, plus the planned spend over the next five years (through until 24/25) totals £93.4m.

	Current	MTFP					TOTAL £'000
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000	
Asset replacement	6,933	10,749	6,493	9,375	9,727	6,969	50,245
Capital projects	8,091	9,138	8,209	6,556	10,791	400	43,186
<b>TOTAL</b>	<b>15,024</b>	<b>19,887</b>	<b>14,702</b>	<b>15,931</b>	<b>20,518</b>	<b>7,369</b>	<b>93,431</b>

**Asset replacement** – Our asset replacement plans total £50.2m, which accounts for 53.7% of our total capital plan spend. This includes provision for the ongoing maintenance, replacement and renewal of our existing assets:-

	Current Yr	MTFP					TOTAL £'000
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000	
ICT replacement	2,916	6,425	3,288	6,138	6,516	3,373	28,656
Estates replacement	941	1,244	400	400	400	400	3,785
Fleet replacement	2,886	2,672	2,497	2,569	2,543	2,928	16,094
Equipment replacement	190	408	308	268	268	268	1,710
<b>TOTAL</b>	<b>6,933</b>	<b>10,749</b>	<b>6,493</b>	<b>9,375</b>	<b>9,727</b>	<b>6,969</b>	<b>50,245</b>

**ICT replacement** – The plan assumes the following renewal and replacement activity:-

- End User Devices (£17.1m) – the number of end user devices has increased in recent years, and we would expect all devices to need at least one replacement during the life of this plan. This includes:-
  - replacement and new issue of both desktops and laptop devices - £8.1m;
  - replacement and new issue of mobile phones, headsets and tablets - £5.2m;
  - replacement and new issue of body worn video cameras - £3.0m.
- Infrastructure (£9.7m) – over the course of the plan we have made provision for replacement and enhancements to our IT infrastructure, including:-
  - Storage and back-up requirements - £1.6m;
  - Servers and networks - £4.4m;
  - Data centre consolidation - £1.3m;
  - Video conferencing capability - £0.3m.

In addition to which we also have an annual provision of £0.2m to support unscheduled spend requirements.

**Estates replacement** – our estates replacement plans include the following areas of activity:-

- HQ generator replacement (£0.6m) – During 2019/20 we have replaced our generator as it was at the end of its life. These are the remaining costs to complete the project which are all expected to be incurred in 2019/20;
- Building refurbishments (£1.5m) – specific improvements required to various buildings within the Estate to ensure they remain fit for purpose;
- Electrical, fire and central heating systems (£1.4m) – annual provision is set aside to support ongoing rolling renewal programme for electrical, fire safety and heating systems upgrades across our estate;
- Provision to incrementally introduce electric charging infrastructure across our estate (£0.3m), thereby enabling us to progress the introduction of electric vehicles where there is a sound reason for doing so;

In addition to which we also have an annual provision of £0.1m to support unscheduled spend requirements.

**Fleet replacement** – our fleet replacement plan currently reflects the activity required to both maintain our current fleet numbers and profile as well as supporting the anticipated uplift if officer numbers. Within this plan, we have provisioned for replacement across all vehicle types, including those used in patrol, those used by our tactical support team, those used in our neighbourhood teams and those more specialist vehicles used within our operational support teams. Across the life of the plan, the total expenditure equates to £16.1m. The total expenditure will remain dependent upon the ongoing review of our fleet to further rationalise where appropriate;

**Equipment replacement** – our plan for the replacement of our capital equipment falls into two distinct areas as follows:-

- Automatic Number Plate Recognition (ANPR) (£1.1m) – over the course of the plan to both maintain and replace our current ANPR asset estate;
- Provision (£0.5m) – annual provision of £0.6m is included in the plan to provide for the rolling replacement of a large number of smaller value assets which when purchased in aggregate are more suitable to be funded through capital than through our revenue equipment budgets.

**Capital projects** - Our planned capital projects total £43.2m, which accounts for 46.3% of our total capital plan spend. This includes provision for all of our planned capital investments, including those both in-scope and out of scope of our change programme arrangements:-

	Current Yr	MTFP					TOTAL £'000
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000	
Digital Projects	2,097	1,944	3,961	6,131	10,491	300	24,924
Estates Projects	5,994	7,094	4,148	325	200	0	17,761
Regional Projects	0	100	100	100	100	100	500
<b>TOTAL</b>	<b>8,091</b>	<b>9,138</b>	<b>8,209</b>	<b>6,556</b>	<b>10,791</b>	<b>400</b>	<b>43,186</b>

**Digital Projects** – Some continued refinement is required to these numbers, particularly in relation to those national projects, with this plan including provision for the following:-

- National Projects (£11.8m) – we have made provision for national projects which includes:-
  - The Emergency Services Network (ESN) programme the plan assumes £11.5m will be needed to implement this national airwave replacement programme. The timing and value of this project remains a subject of significant ambiguity at this point with the expectation of the final business case being available in February 2020;
  - The National ANPR System (NAS) project - £0.1m is set aside to support the ongoing upgrades of this new national capability for policing;
  - National Enabling Programme - £0.1 m is set aside to support capital costs associated with the introduction of the three areas of work covered by this programme; Identity Access Management, National Management Centre and Office 365 enablement;
  - Biometrics - £0.1m is set aside to support the introduction of digital fingerprinting utilising mobile devices for frontline police officers.
- Digital Mobilisation (£1.6m) – our provision for our digital mobilisation project will complete in 19/20 but there are some final costs :-
  - New laptops, mobile devices and associated infrastructure – £0.4m;
  - Delivery and development of our mobile platform capability – £0.2m;
  - New replacement desktops – £1.0m;
- Digital Evidence (£0.6m) – our provision for digital evidence relates to a CCTV project that will begin in 2020/21;
- ERP Replacement (£8.5m) – Building on our existing projects to deliver an e-recruitment tool and a skills management system, we expect to bring forward our plans for the expected replacement of our suite of HR, finance and procurement system/s within the next six months;
- Other Digital Project (£2.3m) – These include:-
  - A new case management system for our HR and Legal Services functions - £0.25m;
  - A new digital media analytics capability to support our intelligence operations - £0.3m;
  - Investment in our Voice and Data communications capability - £0.3m;
  - Further development of the capabilities available to frontline officers through their mobile devices - £0.5m;
- Provision for unscheduled spend (£0.2m p.a. totalling £1m over the life of the plan);

**Estates Projects** – our programme of estates projects incorporates plans across a number of different locations. These include:-

- Yeovil Police Station – the plan includes £5.8m investment to support this project to re-provision a new fit for purpose police station on our existing site;
- Kenneth Steele House (Feeder Road, Bristol) – the plan includes £4.3m to complete this in-flight project to improve our existing building, increasing its capacity thereby enabling wider consolidation of estate elsewhere;

- Neighbourhood bases – our plans include provision of 14 new neighbourhood base, some of which incorporating enquiry offices, at a cost of £5.4m. Of these two were completed in 19/20, five are expected to be substantially completed during 20/21 and the remaining seven expected to be completed within the 5 year plan;
- Shepton Mallet Police Station – provision made for new response hub and police station (£1.1m) expected to become operational during 2020;
- Public Protection Suites (£0.5m) – our plans include the provision of new public protection suites in the South East, South West and North East of our force area. The progression of these projects would bring our entire public protection estate up to a common standard;
- Vehicle workshop refurbishments (£0.2m) – improvements to increase the capacity of our workshops to enable fleet to be serviced more efficiently.

**Regional Projects** - Regional Projects (£0.5m) – provision to support the ongoing work towards a regional records management system development programme.

## Capital Funding

Under the provisions of the Prudential Code, the PCC can invest in a capital programme so long as its capital spending plans are “affordable, prudent and sustainable”.

The capital programme is reflected in the PCC’s Treasury Management Strategy, which is presented annually to the Police and Crime Board, and regularly reviewed by the PCC’s Chief Finance Officer. This sets out the prudential indicators, which determine the limits set against the requirements of affordability, prudence and sustainability.

The PCC, in consultation with the Chief Constable, will identify available sources of funding in support of the capital programme. This will include the identification of potential capital receipts from the disposal of property.

The sources of capital funding available are detailed below.

	Current	MTFP					TOTAL £'000
	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000	
Home Office Grant	1,027	269	269	269	269	269	2,373
ESN Grant Funding	0	0	303	0	0	0	303
Revenue Contribution	7,449	7,000	7,000	7,000	7,000	7,000	44,879
General Capital Reserve	0	7,164	6,030	755	0	0	13,949
Capital Receipts (Estate)	0	0	0	7,807	5,306	0	13,113
Capital Receipts (Other)	100	100	100	100	100	100	600
Previous Borrowing	194	258	0	0	0	0	452
New Borrowing	6,255	5,095	1,000	0	0	0	12,350
<b>TOTAL</b>	<b>15,024</b>	<b>19,887</b>	<b>14,702</b>	<b>15,931</b>	<b>12,675</b>	<b>7,369</b>	<b>85,589</b>

- Home Office capital grant funding – The current value of this grant has been largely static for the last three years at just over £1m p.a. However, as part of the settlement announcements from

Government they have confirmed their intention to reduce this to £0.27m in 20/21, a reduction of £0.76m/74%. We have assumed that the value of this grant will remain frozen at this new level for the remainder of our 5 year plan;

- ESN Grant Funding – this reflects the funding made available to us to support the necessary upgrades to our control room infrastructure to enable the transition away from Airwave radio devices to this new capability;
- Revenue contribution – Over the course of previous MTFP's we have made provision for a gradual uplift in the value of the revenue contribution towards our capital funding – seeking a recurring budget of £5m p.a. However, in light of the further reduction to home office capital grant funding, and wider uncertainties of national programmes, we have further increased this budget to £7m p.a. with effect from 2020/21. The planned contributions are fully reflected within our revenue budget plans set out above;
- General capital reserve – this represents historic and ongoing funds which have been set aside to support general capital investment. The above plan shows we intend to fully exhaust these by the end of 2021/22;
- Capital receipts (Estate) – over the course of the period covered by the plan we anticipate selling a number of our buildings. The combined value of receipts already received (£3.5m), and those we are expecting to receive over the next 5 years to 24/25 (£9.6m) totals £13.1m over the course of the plan. There remains risk over those receipts not yet received both in terms of the value (subject to market factors at the point at which the asset is sold) and the timing (subject to us being in a position to release the asset from operational use) which we will continue to monitor;
- Capital receipts (Other) – over the course of the plan we are assuming some receipts generated from the sale of our vehicles and other assets that have reached the end of their useful life to us. On average we expect to generate £0.1m p.a.
- New borrowing – this reflects the current assumed profile of borrowing which will be undertaken in support of capital expenditure. The final value and profile of our borrowing will be subject to ongoing discussion and dialogue with the PCC, and depending on timing of capital expenditure may be delayed from that which is currently shown (thereby releasing a small revenue saving also).

Our funding principle generally assumes that for shorter-life assets, sources of funding other than borrowing will be used. Borrowing is planned to be used only against those longer-life assets, where the revenue provision needed to set aside for the repayment of the borrowing can be taken over a longer timeframe, thereby reducing the annual cost to our revenue budgets. All borrowing undertaken can only be done so with the approval of the PCC, and must be prudent, affordable and sustainable.

All of the revenue implications of the capital programme, including those costs which are either as a consequence of the direct funding or in order to service our borrowing (both interest and Minimum Revenue Provision) have been fully reflected in our revenue budget plans as set out earlier in our MTFP.



## Reserves and Risk

### Reserves

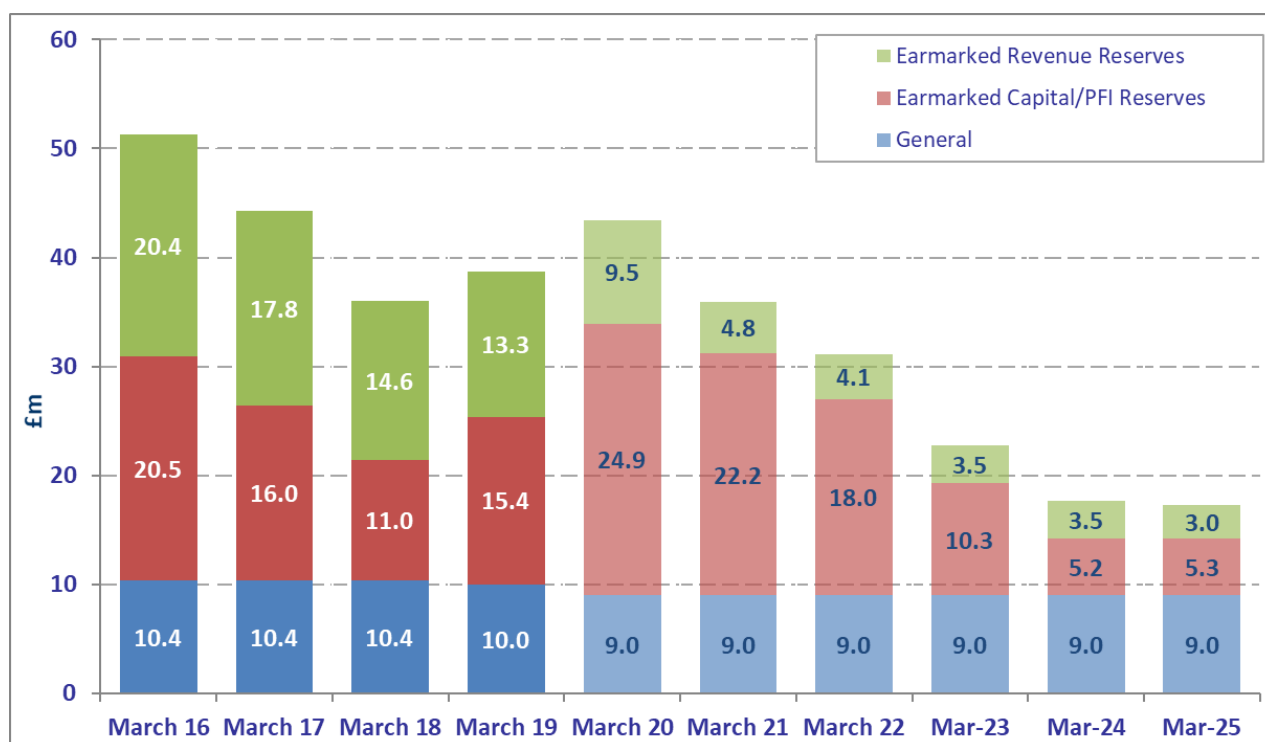
The PCC holds reserves in order to:-

- Support capital and revenue investment to continue our further transformation and change;
- Manage uncertainty and risk in our future; and
- Comply with accounting practice and convention.

As reported in our financial statements at the end of March 2019 the PCC had total usable reserves of £38.7m. This reflected a small increase of £2.7m/7.5% compared to the balance held 12 months previously.

Our projections across the medium term forecast that our reserves will increase in the short-term before significantly reducing over the medium term.

Figure 4: Useable reserve projections over the life of the MTFP



Our useable reserve levels are forecast to stand at £43.4m by the end of the 2019/20 financial year an increase of £4.7m/12.2%. We then forecast reductions over the medium term, with reserves standing at £17.3m by the end of the MTFP period (March 2025).

As the graph demonstrates the current projections estimate consumption of £7.4m in reserves during the 2020/21 financial year, with then further reductions over the following years. This reflects a projection only at this stage, and will therefore be subject to ongoing review and refinement as our plans crystalize.

Our reserve levels would not be expected to substantially reduce year-on-year beyond the balance forecast by 2025 for the following reasons:-

- Our **general fund** is set annually by the PCC's Chief Finance Officer in consultation with the Chief Constable's Chief Finance Officer, and after a consideration of all risks facing the PCC. The risk level, and our appetite for the financial provision needed to assure ourselves, may change over the medium term enabling some reductions in this reserve – however, we will need to maintain some

provision here and **the general fund balance (£9.0m) represents 2.7% of 20/21 Net Revenue budget**, which would be at the lower end of the prudent range expected of us

- Our forecasts assume we would maintain an **operations reserve (£1.5m)** in order to provision for the one-off costs associated with a significant operation or investigation which placed our annual budget provisions under pressure;
- Our **PFI reserves** are used to equalise the phasing of our income (in the form of PFI credits) to our forecast expenditure. In the early years of the contract we generate a surplus which our accounting model requires us to put into reserves, in order to be released against the annual deficit in funding forecast in the later years of the contract. By so doing we are able to smooth the financial impact on the revenue budget over the life of these assets. By March 2025 we forecast that our PFI reserves will stand at **£5.2m**. Our financial model forecasts that this will be the peak level of these reserves, and that from this point onwards the reserves will begin to gradually reduce as we use the funds to help top-up our revenue budgets. Our modelling identifies that these reserve will not fully unwind until the 2038/39 financial year which will coincide with the end of our PFI contracts;
- The remainder of our reserves are made up of lots of smaller amounts. These reflect annual amounts expected to be held at any given year-end which relate to ring-fenced activity. This includes the value on our detained property fund (the majority of which is returnable), specific grants and ring-fenced receipts of funding unspent at any given year-end, as well as an ongoing road safety reserve generated through income received from speed awareness course referrals.

## Risk

Given the extent of the modelling and assumptions required across the development of our MTFP, it is important that we have consideration of risks and the potential impact these could have on our forecasts and plans. The table below highlights some of the key risks identified:-

Risk	Potential scale	Mitigation
<b>Grant Funding Value</b> – the value of future grant levels is higher or lower than currently forecast owing to decisions made by the Government about the overall funding available to provide to PCC's.	1.0% of total grant funding is £2.0m p.a.	Grant funding is expected to increase each year for 3 years to fund the extra officers promised by the Government, inclusive of an increase for inflation (at lower rate than assumed for pay awards) to support the ongoing costs the Force will face during this period of uplift.  Continued engagement with national programme of work to inform the 2021 Spending Review, and with colleagues in other forces to check suitability of assumptions being made.
<b>Grant Funding Distribution</b> – the value of future grant levels is higher or lower than current forecast owing to decisions made by the Government about how to distribute overall funding available to PCC's.	1.0% of formula grant funding is £1.8m p.a.	Engage with and monitor the work of the Home Office as they consult on proposals to change the current formula for distribution expected as part of Spending Review work.
<b>Council Tax Base</b> – the increase in council tax base currently forecast is higher or lower than currently forecast (1.5% growth p.a. from 20/21 onwards).	1.0% of council tax income is £1.3m p.a.	Ensure our forecasts for council tax base increases materially reflect those being made by local authorities themselves.
<b>Council Tax Precept</b> – the referendum cap is set at a lower level than that which is planned within our forward projections.	1.0% of council tax income is £1.3m p.a.	Forward plan assumes 1.99% annual increases, which to date has not been above the referendum cap set by the Government.  Continue to seek confirmation from PCC about appropriateness of this assumption, and monitor Government information about referendum capping principles.
<b>Pay Inflation</b> – the increase in pay is higher or lower than currently forecast (3.0% increase p.a.).	1.0% of officer and staff pay is £2.1m p.a.	Benchmarking of our assumptions for future pay awards against other forces to ensure not outlier. Monitor Government, and emerging sector statements regarding future public sector pay.
<b>Officer Pensions</b> – the MTFP reflects the increase from the last valuation, which saw employer contributions increase to 31% with effect from April 2019. The MTFP recognises the ongoing risk, and includes further provision of £1m from 2023/24, to coincide with the timing of the next planned valuation.	1.0% change in employer contribution is £1.1m p.a	We do not expect the rate to change until it next comes under review. Experience of the 2018 valuation has meant service and Home Office have agreed to work more closely on monitoring arrangements – thereby ensuring any potential swings in future rates are forecast in a more timely manner.

Risk	Potential scale	Mitigation
<p><b>Staff Pensions</b> – the MTFP reflects the increase from the 2019 valuation exercise, which will see our employer contributions rise to 16.3% with effect from April 2020. The MTFP recognises the ongoing risk, and includes further provision of £0.5m from 23/24, to coincide with the timing of the next planned valuation.</p>	<p>Additional 1.0% contribution is:- Staff = £0.52m p.a.</p>	<p>Monitor the ongoing position of actuarial reviews, engaging with this process through representation of the SCC LGPS Scheme Board.</p>
<p><b>Inflation</b> – the UK economic and political position carries a lot of uncertainty and risk at present which could lead to fluctuations in inflation. Our assumptions for non-pay inflationary provisions, might not be appropriate to keep pace with increases in price.</p>	<p>Additional 1.0% on non-pay budgets is £0.4m p.a.</p>	<p>Continue to monitor emerging picture and determine if any adjustment needs to assumptions already factored in across the MTFP.</p>
<p><b>Capital Affordability</b> – Our capital plans set out our ambitions in relation to both local and national projects and plans. They include a share of maintaining and replacing existing capabilities and infrastructure, with enhancements to support the realisation of the vision of providing outstanding policing in Avon and Somerset. However, we recognise the affordability challenges of our current plan in the latter years, particularly exacerbated by the forecast cost of the ESN project. Failure to close this gap will lead to us having to reduce the scope of our plans and/or identify alternative funding sources with resultant impacts on our revenue budgets.</p>	<p>Currently the deficit in our capital plan stands at £7.8m over the next five years.</p>	<p>Continue to review and refine plans, ensuring scrutiny of business cases as they are brought forward for consideration.</p> <p>Take opportunistic approach to ring-fencing revenue underspends to bolster capital funding options.</p> <p>Look to identify alternative sources of funding wherever possible to support our projects and plans (e.g. use of Salix loans).</p> <p>Consider further increases to the recurring revenue contributions to capital, raising this beyond the current £5m p.a.</p>

## Appendix A – MTFP

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
<b>FUNDNG</b>					
<b>Forecast Funding</b>					
Grant Funding	198,148	206,523	215,071	220,436	225,739
Council Tax Funding	130,303	135,147	139,886	144,792	149,871
<b>TOTAL Funding</b>	<b>328,451</b>	<b>341,669</b>	<b>354,957</b>	<b>365,228</b>	<b>375,610</b>
<b>BUDGET REQUIREMENT</b>					
<b>2018/19 Base Budget</b>					
Office of the Police and Crime Commissioner	1,417	1,417	1,417	1,417	1,417
Commissioning	3,445	3,445	3,445	3,445	3,445
Constabulary	303,253	303,253	303,253	303,253	303,253
<b>TOTAL 2019/20 Base Budget</b>	<b>308,114</b>	<b>308,114</b>	<b>308,114</b>	<b>308,114</b>	<b>308,114</b>
<b>Adjustments to Budgets Required/Planned</b>					
Office of the Police and Crime Commissioner (inc savings)	112	158	205	253	303
Commissioning (inc savings)	43	43	43	43	43
Constabulary	26,896	41,334	55,658	68,379	80,212
<b>TOTAL Adjustments to Budgets Required/Planned</b>	<b>27,051</b>	<b>41,535</b>	<b>55,905</b>	<b>68,675</b>	<b>80,558</b>
<b>Budget Requirement (before savings)</b>					
Office of the Police and Crime Commissioner	1,528	1,574	1,622	1,670	1,719
Commissioning	3,488	3,488	3,488	3,488	3,488
Constabulary	330,149	344,587	358,911	371,632	383,465
<b>TOTAL Budget Requirement</b>	<b>335,165</b>	<b>349,649</b>	<b>364,020</b>	<b>376,789</b>	<b>388,672</b>
<b>SAVINGS AND USE OF RESERVES</b>					
<b>(SURPLUS)/DEFICIT BEFORE SAVINGS</b>	<b>6,714</b>	<b>7,980</b>	<b>9,062</b>	<b>11,562</b>	<b>13,062</b>
<b>Savings</b>					
Savings realised through budget build process	(5,438)	(5,838)	(5,838)	(5,838)	(5,838)
Procurement Savings	(797)	(797)	(797)	(797)	(797)
Enabling Services/Infrastructure Savings - Planned	(98)	(98)	(98)	(98)	(98)
Operational Services Savings - Planned	(138)	(138)	(138)	(138)	(138)
NPAS Reductions	(243)	(108)	(190)	(190)	(190)
New Savings to be identified	0	(1,000)	(2,000)	(2,000)	(2,000)
<b>TOTAL Savings</b>	<b>(6,714)</b>	<b>(7,980)</b>	<b>(9,062)</b>	<b>(9,062)</b>	<b>(9,062)</b>
<b>REVISED (SURPLUS)/DEFICIT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	<b>4,000</b>
<b>PROPOSED BUDGET</b>					
Office of the Police and Crime Commissioner	1,528	1,574	1,622	1,670	1,719
Commissioning	3,488	3,488	3,488	3,488	3,488
Constabulary	323,435	336,607	349,849	362,570	374,403
<b>TOTAL Proposed Budget</b>	<b>328,451</b>	<b>341,669</b>	<b>354,958</b>	<b>367,728</b>	<b>379,610</b>

## Appendix B – Revenue Funding Forecasts

	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
<b>GRANT FUNDING</b>						
Main Grants	162,598	174,768	183,540	192,043	200,898	206,202
Uplift Grant		3,843	3,445	3,491	-	-
Victims Commissioning	1,958	2,001	2,001	2,001	2,001	2,001
Legacy Council Tax Grant	14,709	14,709	14,709	14,709	14,709	14,709
Pensions Grant	2,828	2,828	2,828	2,828	2,828	2,828
<b>TOTAL GRANT FUNDING</b>	<b>182,093</b>	<b>198,148</b>	<b>206,523</b>	<b>215,071</b>	<b>220,436</b>	<b>225,739</b>
Annual Change (£'000)	6,179	16,055	8,375	8,549	5,364	5,304
Annual Change (%)	3.5%	8.8%	4.2%	4.1%	2.5%	2.4%
Cumulative Change - Across MTFP (£'000)		16,055	24,430	32,979	38,343	43,646
Cumulative Change - Across MTFP (%)	0.0%	9.1%	13.9%	18.7%	21.8%	24.0%
Cumulative Change - Since 2010 (£'000)	- 22,121	- 6,066	2,309	10,857	16,222	21,525
Cumulative Change - Since 2010 (%)	-10.8%	-3.0%	1.1%	5.3%	7.9%	10.5%
<b>COUNCIL TAX FUNDING</b>						
Council Tax Precept	123,076	130,068	134,647	139,386	144,292	149,371
Collection Fund Surplus	1,104	235	500	500	500	500
<b>TOTAL COUNCIL TAX FUNDING</b>	<b>124,181</b>	<b>130,303</b>	<b>135,147</b>	<b>139,886</b>	<b>144,792</b>	<b>149,871</b>
Annual Change (£'000)	15,609	6,123	4,843	4,739	4,906	5,079
Annual Change (%)	14.4%	4.9%	3.7%	3.5%	3.5%	3.5%
Cumulative Change - Across MTFP (£'000)	15,609	21,731	26,575	31,314	36,220	25,690
Cumulative Change - Across MTFP (%)	14.4%	20.0%	24.5%	28.8%	33.4%	20.7%
Cumulative Change - Since 2010 (£'000)	29,526	35,648	40,492	45,231	50,137	55,216
Cumulative Change - Since 2010 (%)	31.2%	37.7%	42.8%	47.8%	53.0%	58.3%
<b>TOTAL FUNDING</b>	<b>306,274</b>	<b>328,451</b>	<b>341,669</b>	<b>354,957</b>	<b>365,228</b>	<b>375,610</b>
Annual Change (£'000)	21,788	22,177	13,218	13,288	10,270	10,383
Annual Change (%)	7.7%	7.2%	4.0%	3.9%	2.9%	2.8%
Cumulative Change - Across MTFP (£'000)	2178782.2%	43,965	57,183	70,472	80,742	69,337
Cumulative Change - Across MTFP (%)	7.7%	15.5%	20.1%	24.8%	28.4%	22.6%
Cumulative Change - Since 2010 (£'000)	7,405	29,582	42,800	56,088	66,359	76,741
Cumulative Change - Since 2010 (%)	2.5%	9.9%	14.3%	18.8%	22.2%	25.7%
Grant Funding	59.5%	60.3%	60.4%	60.6%	60.4%	60.1%
Council Tax Funding	40.5%	39.7%	39.6%	39.4%	39.6%	39.9%
<b>TOTAL Funding</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Average Band D Council Tax</b>	<b>£217.81p</b>	<b>£227.81p</b>	<b>£232.34p</b>	<b>£236.97p</b>	<b>£241.68p</b>	<b>£246.49p</b>
Annual Change (£p)	£24.00	£10.00	£4.53	£4.62	£4.72	£4.81
Annual Change (%)	12.38%	4.59%	1.99%	1.99%	1.99%	1.99%
Cumulative Change - Across MTFP (£p)	2400.00%	£34.00	£38.54	£43.16	£47.88	£52.69
Cumulative Change - Across MTFP (%)	12.38%	17.55%	19.88%	22.27%	24.70%	27.19%
Cumulative Change - Since 2010 (£p)	£49.78	£59.78	£64.31	£68.94	£73.65	£78.46
Cumulative Change - Since 2010 (%)	29.6%	35.6%	38.3%	41.0%	43.8%	46.7%
<b>Council Tax Base</b>	<b>565,063</b>	<b>570,951</b>	<b>579,515</b>	<b>588,208</b>	<b>597,031</b>	<b>605,987</b>
Annual Change (No. of Properties)	9,044	5,888	8,564	8,693	8,823	8,955
Annual Change (%)	1.63%	1.04%	1.50%	1.50%	1.50%	1.50%
Cumulative Change - Since 2010 (No.)	4,275	10,163	18,727	27,420	36,243	45,199
Cumulative Change - Since 2010 (%)	0.8%	1.8%	3.3%	4.9%	6.5%	8.1%

## Appendix C – Revenue Costs Forecasts

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'001
<b>OFFICE OF THE POLICE AND CRIME COMMISSIONER (OPCC)</b>					
<b>OPCC 2019/20 Budget</b>	<b>1,417</b>	<b>1,417</b>	<b>1,417</b>	<b>1,417</b>	<b>1,417</b>
Provision for inflation	28	74	121	170	219
In-Year Adjustments to budget	(19)	(19)	(19)	(19)	(19)
Growth	108	108	108	108	108
Savings	(5)	(5)	(5)	(5)	(5)
<b>OPCC Budget Requirement</b>	<b>1,528</b>	<b>1,574</b>	<b>1,622</b>	<b>1,670</b>	<b>1,719</b>
<b>COMMISSIONING</b>					
<b>OPCC 2019/20 Budget</b>	<b>3,445</b>	<b>3,445</b>	<b>3,445</b>	<b>3,445</b>	<b>3,445</b>
Provision for inflation	0	0	0	0	0
Growth	43	43	43	43	43
Savings	0	0	0	0	0
<b>Commissioning Budget Requirement</b>	<b>3,488</b>	<b>3,488</b>	<b>3,488</b>	<b>3,488</b>	<b>3,488</b>
<b>OFFICE OF THE CHIEF CONSTABLE (THE CONSTABULARY)</b>					
<b>Original Constabulary 2019/20 Budget</b>	<b>301,420</b>	<b>301,420</b>	<b>301,420</b>	<b>301,420</b>	<b>301,420</b>
In-Year Adjustments to budget	1,833	1,833	1,833	1,833	1,833
<b>Revised Constabulary 2019/20 Budget</b>	<b>303,253</b>	<b>303,253</b>	<b>303,253</b>	<b>303,253</b>	<b>303,253</b>
Police Officer Pay Awards	4,425	8,792	13,383	18,112	22,983
Police Staff/PCSO Pay Awards	1,764	5,177	8,207	11,328	14,542
Change to officer and staff unit cost	(5,235)	(6,235)	(7,235)	(6,235)	(5,235)
Officer Pensions - Actuarial valuation adjustments	0	0	0	1,000	1,000
Staff Pensions - Actuarial valuation adjustments	1,435	1,517	1,603	2,191	2,283
Other Pension adjustments	451	691	936	938	1,182
Adjustments to bank holiday overtime	194	407	(213)	(223)	(446)
Adjustments to officer allowances	(209)	(302)	(379)	(453)	(572)
Adjustments to apprenticeship levy	0	0	0	0	0
<b>Pay and Staffing adjustments</b>	<b>2,825</b>	<b>10,047</b>	<b>16,302</b>	<b>26,659</b>	<b>35,738</b>
General non-pay inflationary adjustments	754	1,462	2,137	2,826	3,528
Specific non-pay inflationary adjustments	305	600	904	1,220	1,546
Interest receivable adjustments	(255)	(255)	(255)	(255)	(255)
<b>Non-Pay Inflationary adjustments</b>	<b>804</b>	<b>1,807</b>	<b>2,787</b>	<b>3,791</b>	<b>4,819</b>
Minimum Revenue Provision (MRP) Adjustments	205	473	701	734	742
Interest payable Adjustments	139	246	241	204	162
Direct Revenue Funding of Capital	421	421	421	421	421
<b>Cost of Capital adjustments</b>	<b>765</b>	<b>1,140</b>	<b>1,363</b>	<b>1,358</b>	<b>1,324</b>
New growth and investment	20,883	26,291	32,198	33,486	34,711
Regional and National Collaborations	1,058	1,624	2,225	3,020	3,661
Unavoidable commitments and adjustments	377	476	254	51	51
Glastonbury Festival - Reinstatement following fallow year	0	0	600	0	0
PFI model adjustments	185	(51)	(72)	14	(92)
<b>Growth and commitment adjustments</b>	<b>22,502</b>	<b>28,340</b>	<b>35,206</b>	<b>36,571</b>	<b>38,331</b>
<b>Constabulary Budget Requirement</b>	<b>330,149</b>	<b>344,587</b>	<b>358,911</b>	<b>371,632</b>	<b>383,465</b>
<b>TOTAL BUDGET REQUIREMENT</b>					
Office of the Police and Crime Commissioner	1,528	1,574	1,622	1,670	1,719
Commissioning	3,488	3,488	3,488	3,488	3,488
Constabulary	330,149	344,587	358,911	371,632	383,465
<b>TOTAL Budget Requirement</b>	<b>335,165</b>	<b>349,649</b>	<b>364,020</b>	<b>376,789</b>	<b>388,672</b>

## Appendix D – Capital Programme

Summary Capital Programme	Current Yr		MTFP Period				TOTAL
	Forecast 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
	£'000	£'000	£'000	£'000	£'000	£'000	
Expenditure							
BAU Replacement Programmes							
- ICT Replacement	2,916	6,425	3,288	6,138	6,516	3,373	28,656
- Estates Replacement	941	1,244	400	400	400	400	3,785
- Fleet Replacement	2,886	2,672	2,497	2,569	2,543	2,928	16,094
- Equipment Replacement	190	408	308	268	268	268	1,710
Sub-Total Replacement Programme	6,933	10,749	6,493	9,375	9,727	6,969	50,245
Capital Projects							
- Digital Projects	2,097	1,944	3,961	6,131	10,491	300	24,924
- Estates Projects	5,994	7,094	4,148	325	200	0	17,761
- Regional Projects	0	100	100	100	100	100	500
Sub-Total Capital Projects	8,091	9,138	8,209	6,556	10,791	400	43,186
Funded or Part-Funded Projects							
- Expenditure on Funded Projects	0	0	0	0	0	0	0
Total Funded or Part-Funded Projects	0	0	0	0	0	0	0
TOTAL Capital Expenditure	15,024	19,887	14,702	15,931	20,518	7,369	93,431
Funding							
Specific Purpose Funding							
- Partner Contributions	0	0	0	0	0	0	0
- Earmarked Reserves	0	0	0	0	0	0	0
- Grant Funding	0	0	0	0	0	0	0
Total Specific Purpose Funding	0	0	0	0	0	0	0
General Purpose Funding							
- Home Office Capital Grant Funding	(1,027)	(269)	(269)	(269)	(269)	(269)	(2,373)
- A&S Revenue Contributions	(9,879)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)	(44,879)
- A&S Rev Cont to move to Cap Fin Res	2,430	0	0	0	0	0	2,430
- General Capital Reserve	0	(7,164)	(6,030)	(755)	0	0	(13,949)
- ESN Grant Funding	0	0	(303)	0	0	0	(303)
- Capital Receipts	0	0	0	(7,807)	(5,306)	0	(13,113)
- Vehicle Sales & other	(100)	(100)	(100)	(100)	(100)	(100)	(600)
- Outstanding Borrowing from 18/19	(194)	(258)	0	0	0	0	(452)
- New Borrowing	(6,255)	(5,095)	(1,000)	0	0	0	(12,350)
Total General Purpose Funding	(15,024)	(19,887)	(14,702)	(15,931)	(12,675)	(7,369)	(85,589)
TOTAL Capital Funding	(15,024)	(19,887)	(14,702)	(15,931)	(12,675)	(7,369)	(85,589)
Surplus (-)/Deficit (+)	0	0	(0)	(0)	7,843	(0)	7,843



## Appendix E – Reserves Forecast

	ACTUAL	FORECAST					
	Bal as at 31st March 2019	Bal as at 31st March 2020	Bal as at 31st March 2021	Bal as at 31st March 2022	Bal as at 31st March 2023	Bal as at 31st March 2024	Bal as at 31st March 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Carry Forwards	930	661	200	200	200	200	200
Operations reserve	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Operation Remedy	0	1,059	0	0	0	0	0
Overtime liability	1,000	1,000	0	0	0	0	0
Buildings and sustainability	449	306	250	100	0	0	0
Transformation reserve	2,520	200	200	200	200	200	200
<b>DISCRETIONARY RESERVES</b>	<b>6,399</b>	<b>4,726</b>	<b>2,150</b>	<b>2,000</b>	<b>1,900</b>	<b>1,900</b>	<b>1,900</b>
SW ROCU	1,999	966	156	81	6	6	6
Proceeds of Crime	346	296	150	150	150	150	150
DPR Reserves	1,385	365	300	300	300	300	300
Insurance reserve	0	0	0	0	0	0	0
Specific revenue grants	659	642	364	187	19	19	19
Hinkley Point	53	841	806	710	487	426	0
Road Safety	1,363	996	500	300	300	300	300
LRF Reserve	50	106	50	50	50	50	50
Victims and Commissioning	779	299	100	100	100	100	100
Miscellaneous Reserve	219	228	200	200	200	200	200
Regional Programme Reserve	29	29	0	0	0	0	0
<b>NON-DISCRETIONARY RESERVES</b>	<b>6,882</b>	<b>4,768</b>	<b>2,626</b>	<b>2,078</b>	<b>1,612</b>	<b>1,551</b>	<b>1,125</b>
Capital Financing reserve	6,717	13,949	6,785	755	0	0	0
Capital earmarked reserves	308	80	20	40	60	20	20
PFI Change Reserve	477	477	100	0	0	0	0
PFI Interest Smoothing Account	0	0	0	0	0	0	0
PFI Sinking Fund Reserve	4,375	4,422	4,804	4,969	5,099	5,191	5,243
Capital Receipts Reserve	3,528	5,968	10,463	12,263	5,106	0	0
<b>CAPITAL AND PFI RESERVES</b>	<b>15,405</b>	<b>24,896</b>	<b>22,172</b>	<b>18,027</b>	<b>10,265</b>	<b>5,211</b>	<b>5,263</b>
General Fund	10,000	9,000	9,000	9,000	9,000	9,000	9,000
<b>TOTAL Useable Reserves</b>	<b>38,686</b>	<b>43,390</b>	<b>35,948</b>	<b>31,105</b>	<b>22,777</b>	<b>17,662</b>	<b>17,288</b>